



Daily Report

East Europe

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Clinton Call for Albanian-Greek Dialogue Noted
*LD0901203095 Tirana Radio Tirana in English 1900
GMT 9 Jan 95*

[FBIS Transcribed Text] In an exclusive interview to the Greek newspaper KATHIMERINI, U.S. President Bill Clinton invited Greece to start an unconditional dialogue with Albania. Clinton also maintains that the approval of EC aid to Albania furthers Greece's interests in the region. He also invites Greece to resume dialogue with Skopje and Ankara so as to settle the existing problems.

In connection with the appeal President Clinton addressed to Greece regarding the unconditional resumption of dialogue with Albania and an end to the freezing of EC economic aid to Albania in the future, Albanian President Sali Berisha said: I consider very important and friendly the appeal President Clinton addresses to Greece on the resumption of dialogue with Albania without imposing any conditions. I consider it as an appeal by President Clinton and the U.S. Government for the normalization of relations and the establishment of understanding between our two countries. I also consider it a message to our two countries, which make their contribution on behalf of the long-term interests of peace and stability in the region in the original, bilateral understanding.

I would like to reconfirm my conviction that the real basis of understanding, and its concretization with the treaty of cooperation between our two peoples and countries, lies in the positive historical interests joining our two peoples. President Berisha said: I think that this appeal by Mr. Clinton, an outstanding friend of Albania and Greece, will be a new step forward in establishing dialogue between our two countries so as to settle the existing problems. The Albanian Government has been, and remains, open to a constructive dialogue with Greece, being always aware of its great value. Berisha said: The Albanian Government is also determined to adopt Albanian legislation that is up to all international standards and to adhere to the agreements it has signed with the European Bank and other international institutions.

Kosovo Liberals Appeal to FYROM Liberal
*95P20354A Skopje FLAKA E VELLAZERIMIT in
Albanian 17 Dec 94 p 14*

["Text" of letter from Liberal Party of Kosova to Stojan Andov, president of the parliament of The Former Yugoslav Republic of Macedonia, FYROM, and leader of the Liberal Party of Macedonia: "Any Trend Against the Will of the Albanians Destabilizes Macedonia"]

[FBIS Translated Text] Dear Mr. Andov: Please allow me, in the name of the Liberal Party of Kosova with headquarters in Pristina, to present our position on the recent events in Macedonia, especially Tetovo, where the Macedonian police took repressive and violent measures

against Albanians who decided to establish their own university with instruction in their mother tongue.

This step should have been hailed, first of all, by Macedonian democratic forces. If they really support democracy as they have stated before international public opinion, and if such statements are not just words, then they must take concrete measures so that all people who live in Macedonia can be equal, with a school system that is equal at all levels. For this reason, we hope that you will not take as a model for your political activity the past situation, in which Albanians in the former Yugoslavia have been discriminated against in all areas of life—or the model of Serbia, which has forcibly occupied the Republic of Kosova—but rather the model of the states of Europe and of the world in which democracy is not just a matter of words but is put into practice at all levels of the organization of life and of the state, as well as in other institutions.

As an esteemed authority and leader of a liberal party based on justice, tolerance, freedom for all, and the well-being of mankind, you must take concrete measures to prevent things from happening according to the scenario of the years we have left behind. Albanians in Macedonia should be able to establish a university with instruction in the Albanian language. We think this will be beneficial to Macedonia, if Macedonia wants to be known for its civility and democracy. Any other trend that goes against the will of the Albanians will destabilize Macedonia and its prestige in the world. Assassinations, arrests, imprisonments and similar repressive measures do not bring any credit to anyone, especially to Macedonia, which claims that it is developing as a democratic state without any prejudices, in which all citizens are equal regardless of ethnic, religious, racial or gender differences. Otherwise, not only can there not be democracy but serious results might occur when democracy is delayed. The Liberal Party of Kosova supports, without reservation, the just demands of our Albanian brothers in Macedonia for the establishment of an Albanian-language university, supporting their demands that Albanians be equal to the Macedonians in all fields, in their indigenous lands. The Macedonian Government and the Police bear responsibility for all the things that may be done to the Albanians in Macedonia; and we, as a party, will report these actions to the world's liberals, the Liberal International in London and the ELDR [European Federation of Liberal, Democratic and Reform Parties] in Brussels. We hope that we have all learned a lesson from the past and the present in Bosnia-Herzegovina and that, instead of discrimination and violence, we will use methods of tolerance, humanism and civility, for the well-being of the neighboring Albanian and Macedonian people, because the only choice is peace and mutual respect.

We hope, Mr. Andov, that we will soon have an opportunity to meet in Skopje or Pristina to expand our relationship, for the well-being of our peoples.

We send you sincere greetings from Kosova and wish you good luck and success.

[Signed] Professor Gjergj Dedaj, chairman of the Liberal Party of Kosova

'Balkan Route' 1994 Narcotics Seizure Figures
AU0901195695 Sofia KONTINENT in Bulgarian
31 Dec 94 p 2

[Article by Slavi Angelov: "Bulgaria Catches Most Drugs on Balkan Route Toward Europe"]

[FBIS Translated Text] According to data published by the Customs Criminal Service in Cologne, in 1994, Bulgaria was in first place in catching drugs transported along the so-called Balkan route. This has been imparted to KONTINENT by Demetra Novakova, chief specialist at the Anti-Narcotics Department of the customs administration.

The same source reports that Bulgaria is in third place in anything related to the quantities of drugs that have been seized along that same route. Most drugs have been seized in Hungary—759,592 kg—followed by Germany.

The Balkan route for drugs crosses various parts of the Balkan states and certain countries in central Europe. The starting point is Istanbul, and the final destination the Central and Western European countries.

A total of 781,254 [figure as published] kg of drugs transported through the Balkan and other channels were seized at the border checkpoints in 1994. Some 39 cases of drug trafficking have been revealed. There were 54 cases in 1993, but the quantity of drugs seized was 200 kg less. In 26 cases, the customs authorities have seized a total of 377 kg of heroin.

Mrs. Novakova said that special operations groups and anti-drug-trafficking departments will be established at all customs premises in 1995. She said that experienced customs officials with at least three years' experience will be recruited for this purpose.

Some 400 kg of marijuana have been seized since the beginning of the year in 9 different cases. Eight of the cases were uncovered at Sofia Airport. In all cases, the marijuana arrived from Lagos on one of the Balkan Air flights from Nigeria—twice in the form of a cargo shipment. Three Nigerians were arrested for trading in marijuana. The quantity seized in 1994 surpassed the total quantity seized between 1976 and 1993. KONTINENT already reported about this in June.

In 1994, for the first time, customs officials seized 608,000 pills of psychotropic substances, all of them intended for export from Bulgaria. The two pill shipments had been intended for Georgia and Turkey.

In 1994, drugs from a former Soviet republic were caught for the first time. Some 200 grams of heroin were found on a citizen of Belarus. According to the experts, he had participated in the establishment of a drug channel.

Approximately 37 men and three women were arrested for possession of drugs in 1994. As in 1993, the number of Turkish citizens was the greatest—10. Four drug

traffickers were from Macedonia [The Former Yugoslav Republic of Macedonia] and Serbia. In nine cases, the traffickers were not caught.

Demetra Novakova notes: "Gradually, cocaine is also penetrating Bulgaria." Since the beginning of 1994, customs officials have seized 3,445 kg of the most expensive drug. Only 40 grams of hashish was seized in 1994. Customs authority sources say it was apparently intended for personal use.

The 19 attempts to use private cars for drug trafficking place this vehicle in first place as regarding the preferences of the traffickers. According to Mrs. Novakova, who is an expert, Bulgarian customs officials are well-known specialists in finding drugs in private cars. There have been eight attempts to transport marijuana by plane and only one such attempt to transport heroin.

A single Turkish trafficker tried to cross the border on foot.

RDP Leaders Meet With Zhelev, Suggest Dialogue

AU0901204395 Sofia DEMOKRATSIYA in Bulgarian
6 Jan 95 p 2

[Report by Ventsislav Lakov]

[FBIS Translated Text] Aleksandur Yordanov, Asparukh Panov, and Mikhail Nedelchev visited President Zhelev last night and talked with him for about an hour and a half. Following the talks, Yordanov said they had seen the president to express their concern about the operation of the state institutions during the period when the country will be under a Bulgarian Socialist Party [BSP] government. According to Yordanov, the BSP has not yet shaken off its complexes of being an anti-institution party, and it is important for politicians, members of parliament, and extraparlimentary parties to defend the institutional spirit of democracy. Yordanov described the meeting as cordial and friendly and said the talks took place in a liberal spirit.

The men also put to President Zhelev the idea of conducting a dialogue among all anticommunist and noncommunist parties. The RDP chairman thinks this idea may be realized at a national-level meeting.

The RDP is in fine shape, Yordanov said, because it has nine National Assembly deputies on the SDS list. Asparukh Panov commented: If the SDS becomes a blue party, however, we may think about signing a coalition agreement with it.

Mikhail Nedelchev said that on Sunday 8 January, the RDP leadership will vote on whether the party should leave the SDS or seek to sign a coalition agreement like those signed by the Internal Macedonian Revolutionary Organization-Union of Macedonian Societies and the Christian Agrarian Party. According to Nedelchev, the SDS parliamentary group contains deputies who are not represented in the National Coordinating Council.

Accordingly, he said, the parliamentary group has a broader political basis than the SDS National Coordinating Council, and this is one reason why the RDP may sign an agreement with the SDS.

Speaking before journalists, Yordanov praised the RDP because, in his view, it is the most sensible party, and has succeeded in getting 11 deputies into parliament on the candidate lists of two coalitions.

Union Official Promises 'Constructive Opposition'

AU1001090995 Sofia STANDART NEWS in Bulgarian
4 Jan 95 p 18

[Interview with Professor Krustyu Petkov, president of the Confederation of Independent Trade Unions in Bulgaria, by Mariya Kostova; place and date not given: "The Risk Is That the Blue Broom May Be Replaced by a Red One"]

[FBIS Translated Excerpt] [Kostova] Professor Petkov, did the outright victory of the BSP [Bulgarian Socialist Party] come as a surprise to you?

[Petkov] The victory was no surprise. We predicted it two or three months ago, but its outright, convincing nature was unexpected. I thought the BSP's lasting commitment to Prof. Berov's former government would be to its detriment. Evidently, however, this was not the case; and in addition, a small proportion of the electorate declared its sympathies and support for the Socialists. The voters' behavior is to some extent illogical; people evidently do not watch to see who votes for what in parliament, but are guided by their color preferences, or—and why not say it?—by the BSP's more convincing campaign and the better, more professional way in which it presented itself in the preelection debates.

[Kostova] In your view, is the BSP program, such as the promise to cut unemployment by half, realistic?

[Petkov] One first has to remove the populist statements from what the BSP said before the elections, such as the promises to drastically reduce the price of bread and milk. These are unrealistic aims and are merely a lure for credulous people. My personal opinion is that, in five to seven years, unemployment can indeed be reduced by half, but one should tell the whole truth: The radical, drastic reduction of unemployment will mean simultaneously restructuring and closing down enterprises. New workers will be thrown onto the job market, and these will have to be retired early or directed into new sectors. We have projects for regional programs to deal with that problem that the government may find useful. It has only to ask.

The overall idea of the BSP program is otherwise well-balanced. About 25 of its proposals can form the subject of discussion in the tripartite commission and in parliament, such as those relating to incomes, taxes, and changing the model for reform. However, these are all assumptions. It is not yet clear what the government's

day-to-day program will be. We have many times been deceived in our expectations of seeing political platforms transformed into reality by executive actions.

[Kostova] You said that the KNSB will act as a corrective to the government if the latter turns too far to the left. What does this mean, exactly?

[Petkov] There are a number of leftist dangers that are not just lurking about, up in the air but that also exist as an internal alternative within the BSP's general policies. One of these is personnel revanchism. After the clean sweep by the blue [Union of Democratic Forces, SDS] broom in 1991 and 1992, and following Rumen Bikov's purge of the corporations and ministerial departments in 1993, it may now happen that the red [BSP] broom will start to work away. This will be most unpleasant, and the KNSB will oppose unwarranted dismissals and appointments of a purely political and partisan nature.

The second danger is that they may amend laws retroactively—the law on restitution of property first and foremost. I believe that the BSP will be making a serious mistake, one dangerous to itself, if it encroaches upon the class of restored property owners in Bulgaria. Complete equality cannot exist. We are building capitalism, not communism, are we not?

The third danger is that the BSP may surrender to the present fashion of standing wars among the institutions under each successive government. This has shattered the state and led to chaos and corruption, because tricksters and rogues exploit the situation when one of the institutions is not at its post.

I do not think we have to regard the BSP as a sect of saints who are without sin. They will have their own challenges and temptations, and we will have to remain on the alert. [passage omitted]

[Kostova] How will your relations with the Podkrepa Labor Confederation evolve under the socialist government?

[Petkov] Podkrepa has now been in power for more than two years, with a small interruption resulting from the conflict with the Filip Dimitrov government. A very many people, including the very leaders of Podkrepa themselves, expect that they will now go into opposition, while the KNSB will become the official pro-government trade union federation. That is: The tables will be turned.

The tables will not be turned. We will continue to hold the position to which strategic advantages during the last five years have led us, namely that of a constructive opposition to the executive. Our relations with Podkrepa will change from now on. With its discriminatory and extremely hostile leadership, Podkrepa drove a deep rift between the two trade union federations. Our assessment

is that things will all be the same with or without Podkrepa. We think Podkrepa has lost its national importance.

SDS Leader To Support Council Decisions

*AU1001093295 Sofia DEMOKRATSIYA in Bulgarian
6 Jan 95 p 3*

[Interview with Yordan Sokolov, leader of the newly elected parliamentary group of Union of Democratic Forces, SDS, by Ventsislav Lakov; place and date not given: "SDS Is the Only Opposition Force Capable of Bringing Democracy to Bulgaria"]

[FBIS Translated Text] [Lakov] Mr. Sokolov, DEMOKRATSIYA congratulates you on your new post. As chairman of the SDS [Union of Democratic Forces] parliamentary group, what principles will you adhere to?

[Sokolov] A parliamentary group is entitled to make its own independent decisions in cases where no decision on the part of the political organ that formed the group exists. However, this organ's decisions are binding on the parliamentary group, and it cannot deviate from them. In this sense, the SDS parliamentary group will adopt decisions on matters on which the National Coordinating Council has made no ruling. We will not oppose political decisions of primary importance.

[Lakov] What first actions will your group take, and what are the biggest problems you expect?

[Sokolov] We will oppose the attempts of the BSP [Bulgarian Socialist Party] to amend the regulations of the National Assembly in a specific anti-democratic direction. As I understand it, the majority wants to concentrate very great power in the hands of the National Assembly chairman, and it intends to abolish the chairman's council. The chairman cannot alone decide matters such as the topics on parliament's agenda, for this would mean his having more power than the plenary chamber.

[Lakov] What will you do if divergent party interests, defended by individual SDS deputies, arise within the parliamentary group?

[Sokolov] I will try to ensure that this does not happen. I am encouraged by the voting on the various candidates for our group's leadership. It is my impression that the party principle was, so to speak, put into the background when the candidates were proposed. We were all elected on the SDS ticket, and we are not representatives of separate parties, although we are members of them. I will also offer you the following example: Until recently, it was impossible for the parliamentary group leader and his deputy to be from the same party, as is the case with me and Petur Stoyanov.

[Lakov] If it is established that any SDS deputy has "put money aside," will he be fined?

[Sokolov] My own view is that we must be uncompromising. In principle, corruption is a terrible thing. It erodes and discredits. We will not tolerate people in our ranks who are infected with this disease. It is no accident that one of our proposals is to form a permanent parliamentary commission to fight corruption that will investigate all the tip-offs it receives. We will be particularly on our guard because I know how sensitive people are, on this issue.

[Lakov] What will you wish the voters who voted for the SDS?

[Sokolov] To have faith that the SDS is the only opposition force capable of bringing democracy to Bulgaria.

Party Leader Predicts Consolidation of Left Wing

*AU1001093395 Sofia STANDART NEWS in Bulgarian
2 Jan 95 p 18*

[Interview with Chavdar Kyuranov, leader of the Alliance for Social Democracy, OSD, by Tatyana Vaksberg; place and date not given: "The OSD Is Simply the BSP's Self-Criticism"]

[FBIS Translated Excerpt] [Vaksberg] What does the absolute victory of the Bulgarian Socialist Party [BSP] mean for its internal opposition?

[Kyuranov] The victory causes new problems.

[Vaksberg] What problems?

[Kyuranov] Various tendencies have existed within the BSP since its very beginning. However, because of the principle of democratic centralism, those tendencies have not only been prevented from developing and expressing themselves but they have also been persecuted and oppressed.

[Vaksberg] Do you think you will be spared this fate?

[Kyuranov] Yes, for two reasons: First of all, because the BSP's charter views ideological currents as something natural; second, because reality shows that differences of opinion are something normal for a democratic political group.

[Vaksberg] You said "ideological current." Does this mean that you are correcting me when I say you are an internal party opposition?

[Kyuranov] There is a certain difference. An opposition is always an opposition, while an ideological current is not always an opposition. What I am saying is that the Alliance for Social Democracy [OSD] is the BSP's institutional self-criticism. It found its mode of existence within the BSP. [passage omitted]

[Vaksberg] Precisely how does the victory increase your problems?

[Kyuranov] Do you remember that change was one of the basic slogans in the BSP's pre-election platform? I

understand it as a change of the party itself, not only of society. Our movement approves of the direction in which the BSP is advancing and considers it to be the right direction. However, we think that the pace at which this is happening does not correspond to the needs. There are many inherent prejudices regarding social democracy in the BSP. It appears that people have forgotten that the BSP's parliamentary faction is called the Parliamentary Alliance for Social Democracy. In other words: Social democracy is the party's goal.

[Vaksberg] Who has forgotten this?

[Kyuranov] Part of the BSP's membership.

[Vaksberg] Are they in the party leadership?

[Kyuranov] There are such people in the party leadership, but they are a minority there. This is natural. Our role is to propose an alternative policy, and convince people that we must march toward social democracy. When the BSP program was being discussed, the OSD issued precisely such a draft program. It was published and became a subject of party discussion. It did not receive a majority, but we did not expect it to. [passage omitted]

[Vaksberg] Some of the OSD's members, who are now overboard, have categorically disapproved of the BSP's policy in recent months. They pointed precisely to that as their reason for withdrawing from the BSP's election lists. Do you fully approve of your party's policy in recent months?

[Kyuranov] No. I do not approve of the fact that six months ago no agreement was reached with the Union of Democratic Forces on amending the Constitution, that we went into the elections with an unchanged electoral law, and that there was too much haste regarding certain parts of the law on the judiciary. I do not mean to say that the criticism of the law was wrong, but rather that the timing was not appropriate. However, all those weaknesses in the work of the Parliamentary Alliance for Social Democracy did not prevent the BSP from

achieving such an exceptional victory. We must remember this when we speak about mistakes and shortcomings.

[Vaksberg] Many observers have described this victory as a failure for the party's most extreme hardliners. Do you share this opinion?

[Kyuranov] In addition to everything else, the BSP's victory provides a foundation for consolidating the various tendencies within the party. This does not mean that they will lose the essence of their existence. Apparently, we do not see the other side of our country's political arena. I mean, for example, the fact that most leftist forces do not have their own spokesman. The various parties with communist tendencies appeared fragmented and disunited at the elections. They received a total of 120,000 votes. I think that the consolidation of the leftist groups will be one of the tendencies in our country's future development. Thus, their voice will be heard. I absolutely do not think they could become a decisive factor in our political life or acquire any substantial importance, but I think that the consolidation of the leftist forces will become a necessity. I do not see anything terrible in those parties being represented in the next parliament.

[Vaksberg] Am I to understand that you see the place of the BSP's hardliners in Bulgaria's Communist parties?

[Kyuranov] I would not put the issue precisely that way. I simply mean that certain people, who now are in the BSP, will have a new alternative possibility. [passage omitted]

[Vaksberg] Does the OSD expect to be invited to participate in the government?

[Kyuranov] The OSD is hardly likely to be invited to participate in the government. This will not happen. The BSP must develop further. However, I do not exclude the possibility of individual OSD members participating in the executive power. We would not oppose this. [passage omitted]

Parties Expect To See Membership Increase*AU0501152595 Prague CESKY DENIK in Czech
29 Dec 94 p 2*

[Article by Daniel Mericka and Marek Stvan: "Political Bodies Believe Membership Will Grow in the Future"]

[FBIS Translated Text] Most parliamentary political bodies in the Czech Republic expect growth in the future and an overall increase in membership, particularly before the parliamentary elections in 1996.

The membership question, according to Josef Zieleniec, Civic Democratic Party [ODS] deputy chairman, is one of the key issues for the coming period. According to him, the ODS membership should be several times larger than it is. Zieleniec does not expect the membership to multiply within two years, but a program for enlargement should be prepared, and membership should offer more than just the opportunity to take part in meetings. According to him, it would not be unrealistic to have a membership of as many as 36,000 before the 1996 elections (up from the current 24,000 party members). David Rozanek, Civic Democratic Alliance press spokesman, told CESKY DENIK that the party had recorded an increase of approximately 500 members during 1994, and the current membership stands at approximately 2,500. Rozanek added that he considers this growth on the whole as proportionately large and expects a gradually increasing trend in this process for 1995. "I personally believe that this trend will be affected by the parliamentary elections in 1996, when people will take more interest in public affairs and other issues pertaining to politics in the Czech Republic," Rozanek said.

According to Jana Volfova, Czech Social Democratic Party [CSSD] social secretary, an inflow of new members has taken place. "Following the Hradec congress in 1993, a certain cleansing of the membership occurred—that is, of the people who joined us after the revolution, in such a surge of enthusiasm," Volfova told CESKY DENIK. "This year, we had basically a straight increase of new people who are really interested in working. We have exceeded the original membership before the Hradec congress by approximately 1,000 people," she added. According to her, overall membership currently is

11,250. Next year, the CSSD expects a gradual growth of its membership. "This trend has been apparent since September of this year, when we are admitting approximately 40 to 50 people per month. We currently have 1,100 local organizations. Before the Hradec congress, at which Zeman was elected to head the party, we had approximately 500 local organizations," Volfova said. Vera Zezulakova, Communist Party of Bohemia and Moravia press spokesman, stated that, because of the large membership, which hovers around 220,000 members, minor fluctuations are not precisely registered. "We have data from individual districts that new members are joining, and we expect further additions in the next year because we have information from districts that some citizens joined the Communist Party of Bohemia and Moravia, and they are people who have never been in the communist party and are in the 30-40 age bracket," Zezulakova said. These people, according to her, make up for the natural decline caused by the large number of pensioners in the party.

Mayors Reject Storage Idea for Dukovany Plant*AU0801164495 Prague RUDE PRAVO in Czech
4 Jan 95 p 2*

[Article by "tr": "Ecoregion 5 Rejects Central Intermediate Storage Site"]

[FBIS Translated Text] Dukovany—Six mayors of communities located within 5 km of the Dukovany nuclear power plant in Trebic district, associated in Ecoregion 5 [Ekoregion 5], reject the idea of building on the power plant's premises a central intermediary storage site for up to 1,800 metric tons of spent nuclear fuel. This transpires from a letter from these mayors addressed to Prime Minister Vaclav Klaus.

As Vitezslav Jonas (Civic Democratic Party), mayor of Dukovany and chairman of Ecoregion 5, confirmed to RUDE PRAVO on 3 January, the letter will be sent later this week. It will raise the question of whether the present government intends to honor the resolution of the Pithart government of 1992, under which the intermediary storage site, located on the power plant's premises, ought to hold a maximum of 600 tonnes of spent nuclear fuel.

Deputy Prime Minister Views Development Prospects

LD0901180495 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1100 GMT 9 Jan 95

[FBIS Translated Excerpt] The government session scheduled for 10 January is to discuss the government program. The final draft should be available to the parliament on Wednesday evening. Sergej Kozlik, deputy prime minister for the economy, during a working meeting of the government held in Trencianske Teplice [western Slovakia] yesterday, said that for the first time the government program points toward development. On the other hand, when talking about the development of the economy, Prime Minister Vladimir Meciar said that this year will be the worst and most critical since 1989.

Does this mean there is a controversy? This was the opening question our editor Bibiana Gunisova asked when conducting the interview in which we introduce to you, dear listeners, Sergej Kozlik, the deputy prime minister and finance minister.

[Begin recording] [Kozlik] [Word indistinct] the prime minister has described the fragility of the current economic growth, which so far manifests itself in growth in the gross national product but is not followed by growth [as heard]. On the contrary, we see a decrease in investment. It means that, despite the apparent growth in the gross domestic product, we still perpetuate our future debt because technical and technological development does not progress.

Another thing is that, in 1995, we will have to cope with much bigger debt servicing, which, if we do not adopt certain measures, will not decrease even after 1995. In this sense, the year 1995 will be crucial. We will implement and maintain new measures both in the budget and, in particular, in our approach toward economic policies. If we manage this, it will give us a clear indication of how to carry on, perhaps even more positively, in 1996 and the following years.

[Gunisova] You have mentioned twice already that you plan to build on domestic potentials purposefully linked to foreign sources. What level of foreign capital participation do you find useful?

[Kozlik] It is difficult to make numeric approximations. First, we have to say that our domestic potential is very important. Slovakia is an industrial country with all of the requisite attributes. On the other hand, the fact remains that some production is outdated. I would, for instance, mention some areas of special production [weapons], where changes in production plans will have to take place. Yet, on the other hand, there are substantial construction capacities that, under certain circumstances that we call the development of public investment, could be utilized very well indeed because there is potential in techniques, technology, resources, and labor.

So, this is the scale of utilizing our own resources. This includes the companies that already maintain a substantial proportion—some more than half, some even 80 percent—of production for export to the developed countries, which know how to secure their future development. So, again, this is the scale of domestic production.

On the other hand, we have companies that do not have adequate potential, either in exports or in the level of output, to manage the adaptation process by themselves. Here, foreign capital is most desirable. Therefore, we create conditions for it—for instance, by removing the customs and tax duties.

There is another dimension. In some areas, it is possible to decide whether to manage the future development—let me use telecommunications as an example—by means of direct foreign investment, and then we can decide whether to sell off part of the assets or whether to increase the value of assets by capital investment or take a foreign loan. All of these steps require detailed economic calculations. [passage omitted]

[Gunisova] The opposition is reproaching you for your attitude toward privatization not only regarding the postponement of the second wave of coupon privatization, but also concerning the cancellation of the privatization decisions passed by Jozef Moravcik's government since 6 September 1994. What is interesting in this context is the prime minister's view after the talks between the Movement for a Democratic Slovakia [HZDS] and the Christian Democratic Movement [KDH], when he said literally that the government decisions do not constitute legal documents or legally binding acts but are merely binding for the Cabinet members as an internal administrative measure, not as law.

What weight, do you think, government decisions carry? In this respect, I would also like to know whether the privatization decisions of Mr. Meciar's last cabinet [before March 1994] are binding.

[Kozlik] I completely (?support) what Prime Minister Meciar said about the binding or nonbinding nature of government decisions. But laws are superior to government decisions. This means that we are justified in using legislation to deal with the issue of the validity or nonvalidity of some decisions made by the last government.

As far as privatization is concerned, the attitude toward the government decisions is not (?controversial). These decisions could have been canceled by the decisions of the new government. There is also the problem of whether relations of ownership to the property privatized by the former government's decisions have actually developed.

[Gunisova] Regarding ownership relations, which have already come into force, you have mentioned the solution to debt servicing. The National Property Fund

[FNM] thus should not be instrumental in debt servicing because the FNM has no real funds anyway. One of the solutions could be to review once again those privatization projects that have already been approved and where ownership relations have already come into force, and where new owners who acquired property through privatization simply did not fulfill their duty and owe considerable sums of money to the FNM. These sums run to several million.

[Kozlik] Let me correct you: These sums reach several billion. But this is a matter for the FNM rather than the government. The FNM works independently of the government. From its policy objectives, we know that it has been and will be actively working on this matter. Let us be aware of the fact that the FNM's real burden is its [word indistinct] 10-billion-koruna deficit. This means that, despite (certain) measures aimed at recouping some of the funds, it is still not sufficiently solvent to bear also the debt-servicing burden. Should the FNM get into a situation where there would be a surplus of resources, various forms of using these resources could be considered, of course. We would prefer to channel these resources toward development plans or toward assistance to the companies, which are being privatized so that they do not begin their work with too large a burden. [passage omitted] [end recording]

Meciar Outlines Cabinet's Policy Orientation

AU0801172295 Bratislava HOSPODARSKE NOVINY
in Slovak 19 Dec 94 p 4

["Extracts" from a speech made by Prime Minister Vladimir Meciar at a meeting of the HOSPODARSKE NOVINY Club in Bratislava on 15 December: "The Slovak Economy's Orientation"]

[FBIS Translated Text] The year 1990 augured a change in the political system orienting it toward democracy and a change in the nature of the entire economy—from a planned economy to a market one, with all the regulations that accompany a market economy. This transition is accompanied by many mistakes, by attempts to find radical solutions, but it increasingly confirms the fundamental assumptions of 1990—that is, that it will take longer and must be accompanied by gradual steps. Changing the economy to a market one, the collapse of the global arrangement of the world, the collapse of the former Council for Mutual Economic Assistance [CEMA]—toward which a large part of the Federative Republic's exports were oriented—as well as the collapse of financial relations within CEMA caused a major crisis in the economy and led to the stoppage of a considerable part of production, which has resulted in a reduction in the gross domestic product [GDP] compared with 1989. It will be some time before dynamism is restored, before we return to the level of GDP generated during the previous era. Slovakia has acknowledged European integration and is seeking its place among the advanced European states, democracies, and economies. It must

mobilize all of its internal resources for this adaptation, and it must go through a very strong and rapid pace of growth. This means linking economies—the weaker Slovak economy with the more efficient Western economies. And the Slovak economy must come along as a partner—an economy shaped by all of its commercial, legal, market, and financial relations so that it is capable of forging the ties of partnership and does not decline or deteriorate. If, in 1990, the majority of politicians were content that a process analogous to the ones in Spain and Portugal would follow, that major investments and major support would arrive all at once, then it has fallen short of their expectations. It has to be said that West Europe is also going through a period of stagnation, that it is registering a certain dearth of internal resources. Therefore, it is more dependent on seeking reserves within the economy. The year 1994 is slowly coming to an end. In 1993, we described it in our strategy as a year with zero growth. If, in 1993, given this hypothesis, there were many people who had their doubts, we are going further in 1994 and are again giving justification for doubts when we say that we want to try to move toward a development strategy—that is, to proceed toward developing the GDP in the years 1995-98. The pressure to adjust and conform to the stronger economies compels us to take this step. Our domestic circumstances—although our economic indebtedness per capita is one of the lowest, it is quite negative in proportion to the generation of the GDP—also force us to take it. The economy is not very efficient because the smaller credit burden has a very negative impact on its development. We believe that the financial institutions will have to come to terms with this basic strategic principle. The entire monetary strategy should turn into a developing one having passed through restrictive and neutral phases. This means that all of the monetaristic instruments should be used to formulate an assertive development policy. This situation is currently manageable. The basic problem for the very near future, however, will be that the impulses required for development must come not only from the state budget's resources but also from other budget resources and that 1995 and future years will be distinguished by the state's reduced ability, compared with 1994, to pay the costs of administration and social allowances. This is also because the debt service is not declining but will increase in 1995 and 1996.

Privatization and Human Potential

The Slovak economy is carrying out a large number of structural changes during this period. It is adapting itself to the strategy for a market economy, which many people narrow down to just the privatization issue. Therefore, we would be happy to explain how we stand on this issue. Privatization was, is, and will be conducted in Slovakia. Compared with the programs of the other political parties, we differ mainly in that we want to orient it in such a way that an established domestic tier of owners is created at home, in particular, so that a middle tier of owners is created. We also want to ensure that recovery

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is achieved through privatization and that privatization does not merely become the means to an end in our country. Privatization is only one-half of the structural changes; the other half is made up of different activities. First and foremost, this involves changes in foreign trade—for example, in our exports to West Europe, which amounted to just under 12 percent in the years 1989-90. They amount to substantially more now, and we would like to further increase the volume. We also have to accomplish changes in our production programs. For example, arms production, given its 100-percent capacity of 1989, required considerable human resources; now it produces 8-12 percent of its utilized capacity from its former resources. We have registered a major reduction in construction. The situation in investments is developing rather negatively, and it is the same in agriculture. Therefore, the issue of changing the structure is for us not only a change of ownership relations but also an issue of orientation and adaptation in general. For example, we have conducted an analysis in the agricultural sector, where it appears that those who went private are currently happy, but I can state that they will, however, be unhappy in a few years' time because privatization was a means to an end for them.

That is to say, many small units have been established that will be unable to compete on a European scale. Even now, we can conduct privatization according to the method applied by the FRG in its eastern part, where entities capable of competing with the larger, stronger West German units embark on privatization. The Slovak economy must also adapt itself to these factors.

From the point of view of priorities for the future, we reckon that we should pay greater attention to the foreign trade balance. This is not only a matter of exporting to West European countries and of pressure for them to curb their limits on imports from us. It will also involve an attempt to establish a free trade zone here in Central Europe and one to settle our balance of payments with the Russian Federation, where we are currently registering negative payments development of approximately \$1.0 billion on its markets.

According to the preliminary agreements, we expect Prime Minister V. Chernomyrdin to visit Bratislava at the end of January 1995. We want to discuss the issues regarding the balance of payments very intensively with him and also to look into the possibility of constructing another pipeline from Slovakia. The preliminary inquiry into the possibility of expanding the market in Arab countries is favorable. The assessments of and the visits to the PRC and Thailand, where the opportunities are inconceivable and of which we make use barely or not at all, were also favorable.

One of the government's priorities for 1995 will be to return to active proexport measures between the Czech and Slovak Republics, which will result in agreements guaranteeing balance in payment relations and the protection of mutual investments. We envisage ending the

treaty basis of guarantees for Slovakia's entrepreneurs with regard to foreign countries as well as establishing efficient foreign trade representative activity. This cannot be done only from the state's resources. Here, first and foremost, we expect better cooperation from all entities, whether they be banking, entrepreneurial, financial, or others so that our representation abroad is effective. We also envisage that most emphasis in 1995 and the future will be placed on investments. Understandably, the issue of investments is very complicated because it is primarily a matter of projects and, second, a matter of resources. We are finding out at certain meetings that it is mostly a matter of resources. Allow me to correct you. It is a matter of projects. Resources can be obtained for small projects both at home and abroad.

Investments for the Infrastructure

If we are talking about the structure of investments, we intend to put the infrastructure first, chiefly to speed up the construction of a highway network because it is possible to make 95-percent use of the domestic human, raw material, and technical resources here. Thus, we could guarantee intensification of the construction of the highway network and also have a positive influence on the recovery of individual regions. We also envisage that a special domestic issue [of bonds], strictly coordinated and managed, could be one of the basic sources for this. We could earmark approximately 3 billion korunas to construct the highways in future years. According to the current technical calculations, the basic route is toward the Bratislava-Zilina axis and up to Cadca and Poland. In the south, this involves the Budapest and Vienna axes, then the continuation through Kosice and Vysne Nemce. We also reckon that, in the years 1995-98, we will focus greater attention on repairing the railroad surface. We will increase the use of the broad-gauge railroad. At the same time, construction of a high-speed track—that is, a route with a speed of 160 kilometers per hour—will come into play.

To ensure that the investment resources are handled rationally, we envisage founding a new banking institution—a state one—that would carry out many productive activities.

Social Relations

The regions' structure must also be taken into consideration among the tasks for the Slovak Republic. An area shaped like a capital U threatens us with social unrest. This is a region that stretches from the Cadca and Dolny Kubin Districts to the east, along the eastern border, and down to Rimavska Sobota and Velky Krtis. This is an area scarred by high unemployment. In the first half of 1995, we intend to begin working very intensively on regional development programs, especially for these regions, that would guarantee people a certain level of securities and guarantees, which they currently lack, and would also provide the incentive for resourceful behavior in the environment. In 1995, we will also have

to reach deeper into the system of social relations. This does not mean that we would wish to take from those who have little. There are thousands of people who do not work simply because it is better to live off allowances and state support than to be employed. For example, there are situations where the father of a three-member family is employed and earns Sk7,500 and where an unemployed father gets Sk7,200. This system of social security has a demotivating effect. In this regard, we intend to adopt a legislative decision in the first half of 1995 to improve these circumstances.

On the one hand, we have a shortage of labor and, on the other, we are squandering it. The Slovak Republic can achieve a very significant impetus for labor development in the future. Given all of the calculations we have made and the analysis of all of our domestic problems, we consider our potential for growth to be the best of all of the post-communist countries. This is a question of the ability and responsibility of those currently active in economic, public, and political life; it is up to them to coordinate their efforts and transform this potential into reality. The starting points for the next four years will be exacting on organizational and coordination work, but they will lay the foundations of the economy for 20-30 years. They will determine its structure and orientation; they will determine its social stratification, its potential based on the educational level, and the standard of living. This is the purpose of our work, and we are seeking the assistance and support of all those who work in the economic sphere. We will only be satisfied if there is harmonization. This is the conviction with which we entered into the government and to which we want to commit all our forces. Of course, political mechanisms alone will not be enough for this. In the future, therefore, we anticipate placing greater emphasis on the growth of work and civic discipline.

Klaus-Meciar Relationship Examined

95CH0055B Bratislava SLOBODNY PIATOK in Slovak
24 Nov 94 p 17

[Commentary by Gustav Murin: "If Only I Were a Czech..."]

[FBIS Translated Text] Not only repulsive and gross violations of elemental rules of serious actions lie behind shameful sectors of human history. Not a small part in these matters is played by those who are pretty and smooth. Everyone has his own yes-man. And so, Meciar has his Klaus.

Vaclav Klaus became famous at home as well as throughout the world as the creator of economic miracles, which began with the most miraculous one of all—he became blind without losing his sight. He stated that he does not see any difference between dirty money and any other money. And he proclaimed this out loud so long, until this dirty money actually turned into golden rain, which already makes those other economic miracles not so difficult to accomplish. Much the same

way as dirty money does not carry a stench for Vaclav Klaus, so not even the dirty politics of Vladimir Meciar stink for him. He convinced us of that when he refused to deal with the government of Jozef Moravcik in any form. Not even a hint of sentimentality with regard to any kind of democracy or collegiality toward anyone who attempts to move along a path that Vaclav Klaus believes is his alone. Following a "night of long noses," when Meciar's followers used the elemental laws of democracy and market economy as a tear-off calendar, Vaclav Klaus went on Czech television and explained to his fellow citizens that generally this was certainly a notorious "misunderstanding." He even compared that which Meciar had begun doing in Slovakia with "normal development" and cited the example of Germany and Austria. Vaclav Klaus once more went conveniently blind when he did not notice that the fundamental law of the market economy (the inviolability of private property and the sacred nature of contracts) was no longer valid in Slovakia from the time Meciar took office. The patchwork laws put together by Professor Toth are enough for him for even such a gross patch-up job.

Vaclav Klaus, as an intelligent, elegant, and pragmatic politician, virtually created his own yes-man—he happens to be Vladimir Meciar. As the author of a small Czech paradise, Vaclav Klaus needs Meciar. After all, a paradise cannot exist without a hell. And to make it possible for the small Czech paradise to be prettier, a small Slovak hell is desirable. There is now and will be something to compare against, so that Klaus's work can have the opportunity to stand out against a background of that poverty for which Meciar is preparing here generally without being hindered. After all, Vaclav Klaus is grateful to Meciar for a lot from as far back as the division of the federation. Where else could he find such a simpleton who would believe that it is he, Vladimir Meciar, that is the engineer of Slovak statehood?! In this case, Klaus is keeping his one-half share secret, with unprecedented modesty, because he understood that, without Slovakia and precisely the opposite, with a "Balkanized" Slovakia behind his back, he would have an easier time pressing himself into the arms of West Europe. And who other than Meciar (together with the other "creators of statehood") would assure him of this Balkanization in Slovakia? Who else is also permitting himself to be so easily intoxicated by Klaus's rosiness, and who else will sign those least advantageous agreements with such a desperate conceit of a simpleton?! Vaclav Klaus has done everything so as not to spoil his relationship with this simple boy who likes to play steamroller because, as we know, when Vlado gets upset, he knows how to be bad (let it cost us other people what it may).

As a true conservative and even a truer pragmatist, Vaclav Klaus does not place a lot of emphasis on moral imperatives. His principle is not to have principles as long as this is advantageous. And it is frequently advantageous. However, I must also admit that he does not make theatrical gestures that cost lives (see the poorly

orchestrated large-scale amnesty for the absurd dramatist) or disappointment over the breakup of the federation (when he really did not pledge fealty to the federation while, at the same time, provocatively abdicating and making his unhappy theatrical appearances in Bratislava at the Slovak National Uprising Square). Klaus also need not take to the bottle so as to correct his moral imperatives on the basis of everyday reality. He only recognizes that substantive day-to-day reality. And, therefore, if I were a Czech, I would vote for Vaclav Klaus.

Relations Between HZDS, ZRS Explored

95CH0072A Bratislava NOVO SLOVO BEZ
RESPEKTU in Slovak 28 Nov 94 pp 4-5

[Article by Marian Lesko: "They Are Not as Naive as They Would Appear"]

[FBIS Translated Text] When, after several months of problem-free activity, the VPN [Public Against Violence] suffered its first political defeat and Jan Budaj did not replace Rudolf Schuster as chairman of the Slovak National Council, the friends of the new power structure organized a meeting under the slogan "Let us tell each other the truth." At this meeting, the former minister of the interior, Vladimir Meciar, also spoke. He reminded the communists that the jails were relatively empty following the recent amnesty. After some time, one of his principal observers wrote that, on looking back, it looks as though the meeting had only one purpose—to enhance the visibility of Mr. Meciar.

When the chairman of the HZDS [Movement for a Democratic Slovakia] was being recalled for the second time from the position as prime minister, the parliamentary debate was very actively joined by Jan Luptak, former delegate from the SDL [Party of the Democratic Left]. He was obviously unable to forgive the governing movement for ultimately usurping his question, which it had long been rejecting as being unconstitutional (the question regarding providing proof of the origin of money used in auctions and in privatization), and inserting it into its own petition in its own referendum. Following numerous appearances involving direct television transmissions, the popularity and general notoriety of Mr. Luptak skyrocketed. If we were to succumb to the strongest of impressions, even we would say that the recalling of Mr. Meciar had no purpose other than to enhance the visibility of Mr. Luptak.

Incidentally, both of these incidents have one thing in common. Despite the fact that hundreds of thousands of people saw him in the square and mostly on television, Mr. Meciar claimed after two years that he truly did not say anything about the jails being empty and that people have certainly misunderstood him. Mr. Luptak stated, within six months, that, although he had criticized some of the steps taken by the former government, he did not agree with recalling Prime Minister Meciar from office in March 1994. What lesson is to be learned from this? I

guess only one thing: Both gentlemen are closer to each other than we believed until recently.

Everyone in Slovakia knows that local politics before the elections were divided into two polarized camps. On the one side, there was the coalition of the KDH [Christian Democratic Movement], the SDL, and DU [Democratic Union] (with the silent support of the Hungarian political parties) and, on the other, the former government grouping of the HZDS and the SNS [Slovak National Party]. The preelection ratio within the parliament was 84:66. The elections changed this ratio by establishing a new one—67:70. The electorate added a new mix to the introduced parties in the Slovak elections in the image of the Association of Workers of Slovakia [ZRS] and its 13 delegates. A person need not be a politician or a political scientist for it to be clear to him at first glance that, if the polarity of the blocs is not overcome, governing in Slovakia is not possible without Luptak and the ZRS. The only person who refused to take this into account was Jan Luptak. After the results of the elections were announced, he modestly mentioned something he does not expect to happen—namely, that some parliamentary party will want him as a partner in a coalition. This was modesty that was truly exemplary but was only temporary in character.

In the beginning, it looked as though Mr. Luptak had not wanted to become the dial indicator on the political scale and had done so against his own wishes. He therefore also looked appropriately unhappy—in the beginning. All at once, all of the politicians and journalists wanted to know what Mr. Luptak's views were on one thing and another and did not desist with their pesky questioning even when the man to whom thus far no one had paid much attention told them clearly that the ZRS would "be protecting the interests of these people." They wanted to know whether he wished to "protect them" by joining the government, whether he would remain in the opposition or be collaborating with the coalition of the SDL, the KDH, and DU, or with the HZDS and the SNS, and many more details regarding the method by which he intends to "protect the interests of these people."

In the beginning, many people thought that Luptak, the harsh preelection critic of the HZDS, could join the camp of the HZDS critics. That is also why Jan Carnogursky urged the president to appoint Vladimir Meciar to be a consultant regarding the formation of a new government and not to call on him directly to form one. The background for this move was the silent hope that it may be possible to come to an understanding with Luptak (as well as with the Hungarian politicians). Not even Jozef Moravcik threw in the towel right away but, rather, stated that "if the Luptak followers declare that they are close to the SDL, this must be perceived with sensitivity." In responding to the question as to whether he considers it possible for his government to continue as the government, he said yes but provided that the left (in other words, the SDL and the ZRS) come to a political agreement. It soon turned out that these hopes were unwarranted.

In the early days, when he had not yet become accustomed to his new political dimension, Luptak's vocabulary was replete with the old idea that the workers had gotten into parliament in order to be able to act as a check: "We must be here in order to be able to say: Mr. Minister, Mr. Chairman, how do you intend to implement economic reform if you yourself are benefiting? And all you delegates are getting rich, and the people are to tighten their belts?" That is why he responded to the question as to which coalition grouping the ZRS would support by saying: "We have clearly stated that we do not care. We shall support every political entity that makes up the government." In the end, this is logical—anyone who wishes to engage in checking does not have to worry whom it is he will be checking.

Gradually, however, the association and its leadership acquired some self-awareness. After the first round of postelection consultations, Luptak reached the conclusion that he would submit his demands to all of the political entities, and, "if they are incorporated into the program declaration of the government, even with firm deadlines, we will support such a government." In other words, no longer support for everyone who establishes a government but only for a government that fulfills their requirements.

When he produced these requirements, Carnogursky as well as Moravcik soon lost interest in Luptak as a partner. Even Peter Weiss looked for a while as though he wanted to translate them from the language of politics to the language of the law, but even he could not stand it for long. The famous 13 demands were, after all, a little bit much, particularly because it turned out that Chairman Luptak saw no problems anywhere—not even involving the elimination of the corporations with limited liability that had come into being on the basis of state enterprises. When they wanted to know how he would go about doing this, he explained to law professor Moravcik: "Good heavens, you are asking me? We made them by law, we will do away with them by law. It is that simple!" When he perceived the fact that it was not quite so simple because private ownership is protected by the Constitution, he answered very resolutely: "I have my own lawyers, who will know how to remedy the situation."

The chairmen of DU and the KDH needed only a single consultation to determine how unhappy every prime minister would be if his staying in office were to depend on support by Mr. Luptak. When the chairman of the ZRS mentioned that its demands, which were submitted for political negotiation, would grow proportionately, he was asked by an attentive female journalist to finish saying proportionately with what. "According to what else occurs to us," Jan Luptak responded blandly and thus demonstrated that the time that he was unhappy with his influential position had already passed. It was perhaps in this connection that Jan Carnogursky suddenly proclaimed that the future government could not be established without the HZDS and recommended that

Vladimir Meciar receive a direct mandate from the president to form a government. And this is what happened. The chairman of the HZDS was not jumping for joy.

The second day following the elections, when the short-term competition for a coalition with the ZRS began, even Vladimir Meciar sent in his application. He stated that "the HZDS is closer to the ZRS than it is to the SDL. The social sensitivities of the HZDS are more serious and more express than those among the Weiss followers." Nevertheless, he took care to count them in his camp. He liked to speak of counting on the support of the SNS, but, even so, it is a "minority in the Slovak parliament." What was special, however, was the fact that, while Luptak had harsh words against the coalition and the entrance of the ZRS into the government, he never said a word in an effort to change this view. Except that, with the passage of time, this unequivocal position of the ZRS began to shift in favor of cooperation with the HZDS.

In the beginning, Jan Luptak was justifying his dislike for "governing" on the basis of principle: "There are those in parliament who are stronger and more experienced. Let them come together to benefit these people, and we will support them. After all, workers have thus far not shared in the impoverishment of this country, and, therefore, we come before our electorate, before the other political entities, with a request to rectify the current situation." But this argument can be turned against its author (precisely because, hitherto, others have governed who have brought the country to where it is and who are to be replaced by someone in power) and then, when it was possible to accept the political will of the ZRS not to stick its head into the government maw. In mid-October, after the discussions of the Central Council of the ZRS, when Jan Luptak found out that he is the most credible politician in Slovakia, he confided to journalists, among others, that "many people who voted for Meciar say on the street that they would no longer vote for him." His self-confidence has obviously grown because he was certain that "in the future, the people will choose whom they should elect. The people are not blind. Their eyes are open, their vision is sharp, and they will open their eyes in future elections. I am convinced of this 100 percent...." His first deputy chairman, Miroslav Kocnar, also met with the media but stayed closer to the ground: "We have understood that we cannot stand completely aside." It is precisely this position that has become decisive within the framework of the Association of Workers of Slovakia.

When, in the second half of October, our colleague Pavol Minarik asked Ivan Gasparovic whether he could visualize a government coalition composed of the HZDS, the SNS, and Luptak's ZRS, he received an unequivocal response: "Of course. This coalition would have 83 votes in a 150-member parliament, and that would be a sufficient number for us to be able to decide on which laws the parliament should adopt." The chairman of the

HZDS, however, had to explain to Gasparovic and his own people a few days later that "with all due respect for the workers, they must be opposed to every social law, to the state budget. They could not support the government in such crisis times." Soon, even Jan Luptak began to add his voice that he could not "participate in a government that is confronted with adopting laws that are against workers and the worker intelligentsia. What is involved here is the doing away with the discount for commuter travel and a number of other measures aimed against social accomplishments that we have created in this country."

At first glance, he only repeated what Meciar had said, but when two people say the same thing, it is not necessarily the same. Luptak knows that the government is faced with "adopting laws aimed against workers." He knows that a future government cannot help itself and will have to adopt some unpopular measures. If the ZRS does not wish to share in this inevitability, does it "protect" the interests of these people this way or its own interests as a political party? When Luptak stated that "had we received more seats during the elections, we certainly would have joined the government—but it is not worth it for the sake of one ministerial portfolio," this was yet another item of proof that both he and his party have already definitely forgotten their original "check, control" mission and are using standard methods of contemplation in politics: when something is worthwhile and when it is not.

A few small meetings before the constituent session of the National Council were sufficient for the HZDS and the ZRS to agree on essentials: who would receive a portfolio, who would be recalled, what would be established, and what would be adopted. Miroslav Kocnar, who is always the first to perceive the decisive political affairs of his party, explained the agreement with Meciar in a very simple manner: "We arrived at the opinion that we would only be able to do something for our voters if we have appropriate representation in parliamentary organs." The arguments raised by the first deputy chairman showed a certain special dichotomy of spirit—they pointed up its "refined" nature and its pragmatic part.

On the one hand, he was explaining the agreement by saying that they "had to make sure that parliament was capable of establishing its organs" because without this provision none of the candidates would have received 76 votes. But, at the same time, in the same breath, he added that he approved of the agreement so that they would have "appropriate representation in parliament," and he generally quite openly admitted that this could have been achieved only by agreement with the HZDS. The philosophical subtext of this approach was brought up by him a week ago in an interview with Anna Lenicka: "We knew and we know now that politics are very dirty. We went into politics with this knowledge...." And, because he is, of course, very interested in having people perceive him in a good light, he asked the lady editor of

NOVE SLOVO to admit that [the ZRS] is "obliged to harbor certain ambitions." It would seem that Mr. Kocnar has come to Slovak politics as yet another person capable of justifying anything—by citing the interest of the Slovak voters. The workers are truly happy that "Miro Kocnar, this leader, is the chairman of the Mandate Committee. A worker has to be proud of the fact that Jano Luptak is the deputy chairman of parliament." (Moreover, are the workers glad and proud of the fact that Luptak's sister-in-law has become a member of the Council of Slovak Radio? Or is this to be considered an unmistakable indication that, in its new standing, the party will be doing battle against all manifestations of nepotism?)

The pride Mr. Kocnar exhibits at having codirected the first session of parliament tends to overlook a minor point—that the scenario, in which he participated, had no fundamental parliamentary parameters. As Jan Luptak said after the session, they supported the HZDS because many workers had voted for Meciar during the elections, and he was glad that his association "would be sharing in the purging of society." And Miroslav Kocnar injected a real dose of political realism when he said: "We are not as naive as we may appear."

The obligation to have ambitions is spreading rapidly within the ZRS, from the parliamentary floor to the governmental sector. Mr. Kocnar was again the first to understand that, if the political parties that received a greater vote of confidence in the elections do not come to agreement, "we will have to join in." He explained this to journalists by saying that, through cooperation, the HZDS would be able to get rid of his most radical demands. It is truly only because of the HZDS that the first session of parliament made it possible for alternates to ministers to participate. What was nice was the fact that Mr. Kocnar used the television program "Steps" to turn to Chairman Meciar and explain this to him in front of the audience.

But even after such a successful session as the one that occurred on that unforgettable evening, the chairman of the HZDS did not succumb to euphoria. Asked whether he would attempt to create a government only with the SNS and the ZRS, he answered with a single word: "No." On another occasion, he claimed that this cooperation would hold true only in the National Council "and not within the government." What is noteworthy, however, is the fact that, after two weeks, Olga Keltosova does not recall "this statement precisely." This is something that may mean something but need not—for one thing, because Mrs. Keltosova remembers many things or does not remember them very specifically because memory in conjunction with these matters is not important. What is decisive is the position and decision taken by the chairman of the HZDS. And, if he wanted only a little to do so, he could establish a government with the SNS and the ZRS immediately. If he should not want to do so, matters become more complicated, and it must be said that even he personally or the HZDS continues to be

interested in governing. To explain to those with ambition that things are otherwise will not be simple. The gentlemen from the ZRS have no such worries. When Klement Kolnik "defected" in front of journalists from DOMINO, Chairman Luptak became angry: "The leadership decided that the chairman and the deputy chairman would speak for the association. Kocnar and I. Nobody else." And we would add that this is true not only with regard to talk.

Technical Troubles Close Gabčíkovo Locks

95CH0082A Prague PRAGUE POST in English
13 Dec 94 p 1

[Article by Michele Kayal: "Dam Failure Blocks Danube Again"]

[FBIS Transcribed Text] Vienna—The Gabčíkovo dam once again proved to be the Danube sailor's Scylla and Charybdis as technical troubles closed it down for most of the weekend.

At least 20 ships found themselves between the lock and a hard place from dawn on Friday until late Sunday while technicians worked to repair the Slovak power station's right-hand passage. Several officials at the state companies that manage Gabčíkovo's two locks insisted that they closed the right lock for "routine" checks, but technicians at the site confided that the drainage system broke down and the lock could not be filled up. The left lock remains closed from damage sustained a full eight months ago.

"For sure, it was something more (than a routine check) because it was so sudden," said Sylvia Devinska, trade manager for the Austrian Danube Steamship Company (DDSG). Devinska said the Danube Water Authority-Gabčíkovo Area issued a public notice that the lock would be closed from 1 a.m. Friday until noon Sunday—but the notice did not materialize until nearly noon on Friday. Thirteen of DDSG's ships languished up- and downstream from Gabčíkovo.

In the spring of this year, the Gabčíkovo structure held roughly 200 ships hostage for five weeks as first the right and then the left lock went down. Officials said the closure this weekend was not related to the March troubles.

Although shippers such as DDSG and the Hungarian company Mahart said the springtime closure cost them "millions" of dollars because of delays in cargo delivery, the firms have no recourse.

The Budapest-based Danube Commission has the authority to negotiate settlements between governments in countries along the river and to make recommendations, but no one can force the Slovak Government to renovate the shaky two-year-old structure or to install standard operating features such as an emergency gate.

"There is a saying that with all of the reinforcing irons that are not in Gabčíkovo, and with all of the cement that is not in Gabčíkovo, a few thousand little Slovak houses were built," said Johannes Binder, DDSG general director. "No one can force them to fix it. You can invade Slovakia, but that's not a solution—because then you'd still have to pay to rebuild it."

Details of Planned Military Reform Published

AU1001105395 Budapest *MAGYAR NEMZET* in
Hungarian 5 Jan 95 p 6

[Report by Zoltan Vereckei: "Military Reform—The Direction Can Change During the March, the Defense Minister States"]

[FBIS Translated Excerpt] According to *MAGYAR NEMZET*'s information, the Defense Ministry is planning to close down the Budapest and Tata District headquarters in addition to the Kaposvar Military District headquarters. According to the plans, two district headquarters will fulfill the tasks in the future. One will operate in Szekesfeharvar [southwest of Budapest] and will be responsible for the Transdanubian areas, while the other will remain in Cegled [southeast of Budapest], its authority extending to the troops east of the Danube River. The land headquarters in Szekesfeharvar and the aerial defense headquarters in Veszprem will also be closed down. The reorganization comes as part of the concept that is usually termed the reform of military forces. However, few people know what this term actually includes. This is no surprise: The concept does not include details. [passage omitted]

The planned changes will be diverse, as can be seen from the mosaics of information. Reducing the number of higher and middle level controlling organizations and simplifying the supervision is one of the reform's most important elements. Of the organizational changes, we should first mention the aforementioned reorganization of the military districts, which will also include closing down the headquarters of the various military forces. According to the plans, a number of units will be set up in the Hungarian Army in which will be concentrated military technology equipment that can be seen to be modern and in good condition. Through this, units will be established that can react rapidly to the dangers. It is an important part of the changes that the ministry wishes to reduce the number of conscripts by 10,000-12,000 by the time the military reform is completed. The Army's current 100,000-head size will be some 20-30 percent smaller. In West Europe, the size of the army budget is at around 0.8 percent of the population. In the spirit of the changes, as early as in 1994, the Army mobilized 2,000 fewer young people compared to the previous years, and another 7,000 fewer conscripts will be drafted this year. The service period might also be further reduced; it is possible that they will switch over to a nine-month conscription period as soon as next year. Parallel to the staff reductions, the ministry wishes to increase the proportion of professional soldiers, with special regard to the warrant officers. [passage omitted]

The military reform will not leave the outdated military arsenal untouched, either. Naturally, the changes will also be curtailed by the shortage of finances in this area. In connection with this, [Defense Minister] Gyorgy Keleti made an interesting, or we could say, clever, proposal to his Ukrainian colleague last year: According

to this, Hungary would be willing to perform the destruction of military vehicles that was prescribed to Ukraine in the CFE [Conventional Forces in Europe] talks. Ukraine would give these vehicles to Hungary which, in exchange, would destroy its less modern military vehicles. The first confidence-building measures have already been taken: Ukrainian soldiers are using Hungarian drugs and, hopefully, spare parts for armaments will soon arrive in Hungary from Ukraine. [passage omitted]

Spokesman Denies Reports of Romanian Arms Deals

AU1001100195 Budapest *MAGYAR NEMZET* in
Hungarian 5 Jan 95 p 2

[Report by "cseke": "Bucharest Newspaper Information—Would Romania Deliver Large Amount of Weapons to Hungary?"]

[FBIS Translated Text] Quoting confidential information from the Romanian Defense Ministry, in a well-documented article, Bucharest ZIUA reports that a Romanian military delegation led by the secretary of state recently held talks in Budapest at the invitation of the Hungarian defense minister. As a result of this, Romania is supposed to be delivering arms to Hungary in large quantities in the coming years.

According to this article, the transaction is made necessary by the fact that Hungary wishes to develop in accordance with the requirements laid down by the structures of NATO, and to achieve this, it needs arms that are different from the Russian military technology and that will free it from its former dependence. The situation is particularly uncertain in the area of spare parts and, accordingly, the Hungarian military leadership has presented an extensive list of needs for the short- and long-term to the Romanian partner.

ZIUA describes in great detail the Hungarian Army's immediate needs—which consist of ammunition, gun-barrels, equipment for repairing engines, and systems needed to repair armored vehicles. According to the report, owing to the lack of adequate technology, the Hungarian Army is currently unable to hold military exercises involving armored vehicles. Extensive cooperation can also be expected in the areas of military vehicle supply and artillery spare parts—mainly gun-barrels, which up to now have been specifically Russian products.

At the moment, the analysis of the requests and the possibilities for delivery are on the agenda. According to Romanian military experts, if an agreement is signed, this will also give a boost to the Romanian military industry, which is facing decline due to a lack of orders. At the same time, this can also help Romania's army attain the requirements of NATO membership by the turn of the century.

[Box p 2]

No Romanian defense secretary of state has recently visited Hungary; therefore, no arms purchase could have been discussed—said Defense Ministry Spokesman Lajos Erdelyi, denying ZIUA's information. He said that Hungary does not have such an intention anyway, and that Hungary has purchased from Romania a few JAK-52 light aircraft suitable for training flight officers.

[MAGYAR HIRLAP in Hungarian on 5 January carries on page 3 an article by its Bucharest correspondent Bogdan Tibor with the following details: "According to Romania, the Hungarian partner is mainly interested in the latest model of Romanian military truck, the trials of which will soon begin at a factory in Brasov. The 3.5-tonne, four-wheel-drive vehicle with a Euro-1 engine is currently the only one in the former Warsaw Pact states that meets NATO requirements. Hungary is supposedly interested in 105-mm shells, shock absorbers for military vehicles, V-54 and V-545-type 580-horsepower engines, MAN engines for armored personnel carriers, and "MGS"-type 14.5-mm machine guns."]

Potential Missile System Acquisition Viewed

AU0901211495 Budapest MTN NEPSZABADSAG in Hungarian 4 Jan 95 pp 1,3

[Report by unidentified correspondent: "The S-300s Are Too Expensive"]

[FBIS Translated Text] It has been mentioned many times that, instead of getting MiG-29s, Hungary would receive S-300 air defense missiles in exchange for the remaining many hundreds of millions of dollars of [Soviet] debt. According to our information, however, we will not receive S-300s.

According to NEPSZABADSAG's information from Russian military sources, the Russian side would be willing to repay some of its debt with modern missile systems. The S-300s are five-channel ground-to-air defense systems. They can be used to a maximum height of 25 or 30 km. The system itself consists of a command post [harcállaspont] mounted on a tracked vehicle, a radar station, and a launcher [inditokocsi], together with six missile stands. Their use would modernize the aerial defense of Budapest and Paks, the two most defended Hungarian zones, as was also mentioned by the Russian side.

Official meetings have not taken place recently, but many non-public discussions have been held between the Russian and Hungarian sides on the issue of the S-300s. It turned out that the missile system would cost approximately \$400 million, which the Hungarian Army cannot pay at the moment. The government's view is that only some \$100 million from the remaining debt can be used for the Defense Ministry's purposes.

At the same time, during the talks, the Hungarian side has shown interest in the Russian infantry's military

vehicles and rocket launchers, which are part of the Russian offer and are far more modern than the Hungarian armored military vehicles currently in use. Our current rocket launchers are late descendants of the World War II Katyushas with only a 20-km range, while the modern equipment offered by the Russians has a 70-km range.

All these issues would have been on the agenda of talks between Russian Defense Minister Pavel Grachev and [Hungarian Defense Minister] Gyorgy Keleti. However, Grachev's visit, which was to take place on 20 December, was canceled and according to our information, a new date has not yet been set. However, this uncertainty does not prevent preparatory expert talks from being held.

Official on Finance Ministry Reorganization

LD0901203195 Budapest MTV Television Network in Hungarian 1830 GMT 9 Jan 95

[FBIS Translated Excerpt] Tibor Draskovics, administrative state secretary at the Ministry of Finance, denies that there are intentions to turn the ministry into the top economic ministry. Contrary to press reports, only a small-scale reorganization is at issue, the state secretary says.

[Unidentified correspondent] [passage omitted] The government that was formed last summer merged the Ministry of Industry and Trade with the Ministry of International Economic Relations. At the same time, it strengthened the economic focus of the Ministry of Finance by transferring the tasks of managing state assets and conducting privatization to that ministry. According to State Secretary Draskovics, who is in charge of the reorganization at the Ministry of Finance, the latest changes do not mean a further concentration of power.

[Begin Draskovics recording] The reorganization that took place recently at the Ministry of Finance was not connected with the idea of establishing a top ministry but with seeking ways for the Ministry of Finance to fulfill the increased tasks and meet the increased responsibilities set by the government program. [end recording] [passage omitted]

[Budapest Kossuth Radio Network in Hungarian at 0600 GMT on 7 January reported the following: "In the future, the Finance Ministry will operate as a top economic-political ministry. Tibor Draskovics, administrative state secretary, told NEPSZABADSAG that the changes are due to tasks set by the government program and a change in the division of labor in the government. As part of the government reform, from now on the Finance Ministry will be divided into five main blocks: economic policy, budget, tax and customs, branch policy, and privatization."]

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Finance Minister Interviewed, Discusses Budget

AU0901143795 Budapest MAGYAR HIRLAP in Hungarian 2 Jan 94 pp 1,12

[Interview with Finance Minister Laszlo Bekesi by Ibolya Veres; place and date not given: "Bekesi's Relationship With the Prime Minister Is Unchanged; 1995 Will Not Be a Year of Destitution"—first four paragraphs are MAGYAR HIRLAP introduction]

[FBIS Translated Text] We need not be afraid that 1995 will be a year of destitution, Finance Minister Laszlo Bekesi said to MAGYAR HIRLAP. Bekesi is not overjoyed with the performance of the government's first six months. He claims that no alternative exists to the current government coalition, and has described the economic views held by the Christian Democratic People's Party [KDNP] as the economic policy of romantic socialism. In his view, successful governing and effective politics do not need acquiescing yes-men.

Bekesi expressed his hope that a chairman of the central bank will soon be appointed, and he would welcome Gyorgy Suranyi in this position. At the beginning of the year, Bekesi also trusts that the privatization of the HungarHotels hotel chain will not fall through. He is very satisfied with the government commissioner for privatization.

In his view, it will not be possible to draw up the 1996 budget without reforming the state finances. He also said that the deficit of the central budget was 328 billion-329 billion forints in 1994, that of the social insurance funds 10 billion-20 billion [currency not specified], and that of the current balance of payments \$3.7 billion. Bekesi also said that the first version of the three-year modernization program has been drawn up and an agreement with the IMF will in all probability be achieved in 1995.

His relationship with the prime minister is unchanged....

[Veres] You have always said that 1995 would be the most difficult year for the country's population. Nevertheless, on 1 January, what New Year wishes can you offer the citizens of Hungary? What can we expect?

[Bekesi] In a certain sense, 1995 will be more difficult than expected, but it will not be as catastrophic as is claimed by many people. We need not be worried that this will be a year of destitution. Unemployment will not perceptibly increase and we will be able to keep prices under control. Therefore, there will not be a dramatic decline.

[Veres] What about 1994? How do you assess the government's work in the first six months? To what extent was this an expert government?

[Bekesi] This was rather a mixed half-year. Looking at the government's work critically and realistically, one cannot be totally satisfied. Nor am I. [Veres] Can you mention any areas where the government did too little and should have done more?

[Bekesi] Naturally, I could give a long list of these areas. What was astonishing for me was that we held the same discussions in the implementation phase as we had already held at the time of the Hungarian Socialist Party [MSZP] program, or when the government program was drawn up. In my view, the government has done little in the area of privatization. We still do not have a new privatization law, although we should have had it long ago. I am also disappointed that stabilization measures were not taken in the first months. However, I have to admit that certain positive steps—a supplementary budget—have been made in this direction. Compromises have been made that preserved social peace but certainly softened up the necessary transformation steps. I am thinking of the pension increase, or benefits that are very good for the individual but are, economically, completely irrational. We also had forint devaluations, but only after bitter battles. Therefore, their effects were diminished. In my view, it is also a mistake that further, economically unsupported, wage increases were implemented in the second half of the year. We have plenty of problems, therefore I am not one of those who is overjoyed with the government's work so far.

[Veres] In spite of the many problems, what are you proud of in this government's accomplishments?

[Bekesi] In my view, the finance minister should not be proud of anything. He has no reason to be. However, the fact that we finally have a budget that was accepted without too much tension and with majority support in this difficult situation might be seen as an achievement.

Suranyi Is Most Suitable As Central Bank Chairman

[Veres] One of the most visible facts in the government's first half-year of work is the increased number of replacements in the state administration and at the head of state-owned enterprises, and the methods used can be objectionable in many cases. Gyula Horn was not even prime minister when he announced that the chairman of the central bank would have to go. Akos Peter Bod [chairman of the Hungarian National Bank, MNB] resigned in December but now we do not have a chairman. When will we have one?

[Bekesi] The independence of the central bank is a cardinal issue and is indispensable in a well-functioning economy. The other side of the issue is that harmonious cooperation cannot be achieved if there exists a problem of basic trust between the government and the chairman of the central bank. This country is not in a position to permit itself to act haphazardly, in a constant clashing of diametrically opposed monetary and fiscal policies. In a crisis of confidence, taking steps that involve replacements is unavoidable. The civilized solution is for the chairman himself to stand up. I do not deny that the way this was accomplished and the messages sent via the press were explicitly damaging. I admit that the new central bank chairman should have been appointed at the time the previous one resigned. This is the prime

minister's right; he is conducting talks on this issue. I hope we will not have to wait long for an appointment.

[Veres] Who would you welcome as MNB chairman?

[Bekesi] I have made my own suggestion and I do not think it is a secret: Gyorgy Suranyi. I believe that he is by far the most suitable person for this position.

[Veres] One of the ministers has complained that this government operates the same way the previous one did: Rather than forming a unified cabinet and implementing the government program, the various ministers represent the interests of their own areas. Do you agree with this view?

[Bekesi] There is much truth in it but it is very simplistic, and therefore exaggerated. It is natural for the department ministers to oppose the finance minister in the budget debate; problems arise if the ministers express contrary views after a government decision is made. This has also happened in the past six months, and I consider it harmful.

[Veres] Do you normally have big discussions at the government sessions? Could you tell us which ministers you have the biggest discussions with, and with whom you normally agree?

[Bekesi] We naturally have big discussions at the government sessions. I do not always agree with any of the ministers, nor do I always argue with all of them, either. However, generally the finance minister is against the majority. I find this natural.

We Do Not Need Yes-Men

[Veres] Many people have suggested lately that the MSZP should have chosen a more "quiet" and more socially sensitive partner than the Alliance of Free Democrats [SZDSZ]. What are your views on a possible MSZP-KDNP coalition?

[Bekesi] In my view, these opinions are a very dangerous political game and a major historical mistake. I believe that fabricating a coalition on the basis of tactical considerations, or even considerations of popularity, would signify the guaranteed death of effective governmental work. A coalition is not good if it does not rest on the will of the electors and on similar party programs. The majority of citizens voted for the MSZP and the SZDSZ, and the programs of the two parties are similar. The KDNP did not come in second at the elections, and its economic policy is completely different from that of the MSZP. In fact, they advocate the economic policy of a romantic socialism rather than that of a Christian democratic party. Some people in the MSZP will never accept the economic policy that I also represent: namely, the acceptance of bitter times concomitant with the changes. In my view, to toy with the idea of another coalition is self-deceit, and dangerous. No alternative to the current coalition exists.

[Veres] Many people would also like to have a different coalition partner, instead of the SZDSZ because, in their view, the Free Democrats firmly represent their own views and criticize some of the steps taken by the MSZP, and these people would like a more "quiet" partner. These different views have also surfaced in the HungarHotels case. In your view, what negative consequences can arise if the American partner is not willing to pay more than the price formerly settled on?

[Bekesi] For successful and efficient governing, we need clear arguments rather than acquiescing yes-men. Since business talks are still in progress in connection with HungarHotels, the wise thing for me to do is not to say anything until the talks are finished, regardless of what has happened so far—and these actions have not been without mistakes. We will naturally have to talk about this issue after the talks are over. The concrete issue has a more general lesson: Is it possible to implement successful and efficient privatization by revising otherwise well-intentioned but unfounded business realities? This is a big question because it is decisive for future privatizations.

Privatization is a market deal. It depends on supply and demand. If political intervention attempts to change these market conditions, the business will suffer, and it is not at all certain that a good deal will be achieved in the end. An unstable and uncertain atmosphere can evolve and investors can become anxious. I consider the HungarHotels issue crucial and dangerous from this point of view. I hope that this deal will not fall through in the end, because it is certain that we can only make worse deals afterwards. There are many examples that prove this in Hungarian privatizations.

[Veres] As far as I know, you are also a member of the committee that is to draw up a list of companies about which the government must be informed before privatization bids on them are invited. When will this list be ready, and what companies will be on it?

[Bekesi] Yes, I am a member of a committee, but it is not our task to list the names of companies whose privatization strategy the government wants to discuss. The committee is to try to draw up a mechanism that would give the government a supervisory and decision-making opportunity in the case of strategically important companies. The goal is for the government not to intervene on an individual basis. Such intervention should have some organized form, and our committee should draw this up by the end of January. Therefore, it is not at all the case that the decision in the privatization of certain companies will be taken by the government.

Satisfied With Ferenc Bartha

[Veres] Ferenc Bartha, government commissioner for privatization, said, about the privatization committees that are to be set up—which he simply calls super committees—that they will tend to slow privatization, although the goal is acceleration. Do you agree with this?

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[Bekesi] Bartha is perfectly right.

[Veres] As a matter of fact, how satisfied are you with Bartha as minister supervising privatization?

[Bekesi] I believe that Bartha is doing—and very well—what he should be doing. He is an excellent businessman, commands international respect, knows the business world very well, and can negotiate in five languages. It would be very difficult to say that Bartha does not know what he is doing.

[Veres] The accelerated privatization that was promised by the government has so far remained at the level of slogans. What are the chances that the long-promised reform of the state administration will not meet with the same fate?

[Bekesi] This is a crucial point. And if I am bitter, the reason is undoubtedly that in the preparation of the 1995 budget, I did not even have a chance to rely on professionally well-founded reforms that would have implemented the internal budget restriction through rationalization. A financial expert is unable to tell those in education, welfare policy, social insurance, and so on, what to change in their own areas to solve the problem of financing without reducing the level of service. A state administration reform committee will be set up at the beginning of January under my leadership, and this committee will say what professional tasks will have to be implemented by a deadline. It will not be possible to prepare another budget again in this way. We will not have a 1996 budget without the reform of the state administration. The systems will have to be changed. Otherwise we will not be able to finance the budget in 1996.

[Veres] According to certain experts, if we do not begin the reform of the major support systems we will again need a supplementary budget in 1995. Do you still maintain, in spite of the favorable state of the budget in 1994, that the supplementary budget was necessary?

[Bekesi] It is clear that it was needed. In the end, the central budget closed with a 328 billion-329 billion-forint deficit in 1994. Without the supplementary budget, this would have been 370 billion forints. However, it is hardly possible to finance even this 329 billion. Even this is too much. The deficit of the social insurance funds will be between 10-20 billion forints, and the deficit of the current balance of payments will reach \$3.7 billion in 1994. Therefore, the supplementary budget

was not only needed but we should actually have achieved a much greater improvement.

[Veres] Has the three-year modernization program been drawn up yet? What are its basic tenets?

[Bekesi] We will soon begin discussions on the first, expert version; the economic cabinet will discuss it this week; and it will come before the government and the Interest Coordination Council before the end of January. Briefly, I can say that it follows an economic policy that handles stabilization and the establishment of sources of growth simultaneously. It mentions our views on the break points, and the chances of the short and medium term development courses. Everything depends on whether or not we have enough strength and courage to use 1995 to improve the current economic course. If we do, then modernization will be successful. Otherwise a lengthy period of stagnation will ensue.

[Veres] This three-year program is also the basis of talks with the IMF. Is there a chance for signing another three-year agreement with the IMF?

[Bekesi] This three-year program would be the continuation of talks with the IMF. It is not possible to make an agreement with the IMF for 1995. However, if the content of the medium-term program and the concrete reform measures supporting it are strong enough and give a realistic chance for our positions to improve after 1995, then an agreement might be achieved by mid-1995. I do not yet know whether this will be a one- or a three-year agreement. We would of course prefer a three-year agreement.

The Finance Minister's Position Is Very Delicate

[Veres] In December 1992, Mihaly Kupa [former finance minister] very confidently announced that he would remain in government until 1994—and in February 1993, someone else was the finance minister. How long will you remain in government?

[Bekesi] I cannot make such a confident statement. The finance minister's position is very delicate. Therefore, I have no idea. I did not come here for the ministerial chair. I have a program that I would like to implement. There is no point in me being a minister if the implementation of this program meets with obstacles.

[Veres] What kind of relationship do you have with the prime minister? Has it changed lately?

[Bekesi] It is unchanged.

Document Confirms Podkanski Lied About Contract
WS0901153995 Warsaw ZYCIE WARSZAWY in Polish 7 Jan 95 p 1

[Article by Leszek Kraskowski: "Minister Podkanski's Lies"]

[FBIS Translated Text] *ZYCIE WARSZAWY* has gained access to a classified document that clearly confirms our earlier reports that Foreign Economic Cooperation Minister Leslaw Podkanski chose the InterAms company as the supplier of computers for the ministry disregarding an opinion issued by a committee established to select a contractor through a bidding process.

On 28 December, we wrote that Minister Podkanski, contrary to an opinion issued by the bidding committee, gave instructions to sign a contract with InterAms, a company owned by Pawel Zdunek, Prime Minister Pawlak's friend from his university days. InterAms, facing bankruptcy, backed out of the deal because it was unable to supply the equipment. In the end, the contract was not signed, and the Offices of Trade Counsel have not yet received any computers. Podkanski denied everything and said there was no bid for contractors. In interviews given on the television program "Pulse of the Day" and on RMF radio, he said our information was absurd and untrue.

The minister's spokesman, Zbigniew Ostrowski, thus far claimed that he had only read about InterAms in the press. In a letter written several days ago, he appealed for a "halt to the campaign of slander, libel, and innuendo that has been waged against Minister Leslaw Podkanski." Yesterday, the spokesman softened and admitted that the minister had singled out InterAms "for further negotiations and talks," but, having analyzed the situation, on 25 August 1994 he decided to suspend the computerization project.

We obtained a memorandum dated 14 May 1994, written by the head of the Analysis, Statistics, and Information Department, Jerzy Rutkowski, in which we read that "a commission established on 29 March 1994 for the purpose of selecting a supplier of computers and software for the Trade Counsel Offices (...) received offers from six renowned producers of computer equipment. After serious analysis, the commission decided to recommend ComputerLand as a potential contractor to the minister." It was emphasized that, if the company is approved, the department will sign a contract and begin purchases. The note was sent to Andrzej Szumowski, deputy director of the minister's cabinet, who passed it to Podkanski. On the document, the minister wrote "we choose InterAms." Under the inscription is Podkanski's signature and stamp.

Daily Views Likely Changes in Cabinet

WS0901130095 Warsaw RZECZPOSPOLITA in Polish 9 Jan 95 pp 1-2

[Article by Ewa K. Czaczkowska: "Many Possibilities, More Dangers; SdRP Proposes to PSL a Common Candidate in Presidential Elections"]

[FBIS Translated Text] The Democratic Left Alliance [SLD] has proposed to the Polish Peasant Party [PSL] the fielding of a common candidate for president; it is also entertaining the possibility of restructuring the government by means of a constructive no-confidence vote. The idea of recalling the government and forming a new one can only encourage the president to dissolve the parliament.

SdRP: On Coalition and Constitution

The Chief Council of the Social Democracy of the Polish Republic [SdRP], which held a session on 7 January, decided that it was necessary to adopt a new version of the PSL-SLD coalition accord as soon as possible; the accord should be linked to the reorganization and restructuring of the administrative-economic center of Poland. According to the left, the accord should comprise a long-term plan of the government's work and the manner of running the Council of Ministers. The SdRP leadership also proposed that talks be held with the PSL on a joint presidential campaign. The SdRP declared that it was ready to reach a compromise in preparing a new constitution: "Everyone should participate in formulating the final text—parliamentary and extra-parliamentary forces, civic milieus, and experts. The nation will decide in a referendum whether the constitution will be approved and whether it will come into force," the resolution read.

Pawlak for President, Kwasniewski for Prime Minister?

No specific names of possible candidates for president were mentioned at the session of the SdRP Chief Council. "It may be someone from the PSL or maybe from the SLD," Aleksander Kwasniewski said at the Sunday "Breakfast With Radio Zet" broadcast. However, this idea is not at all new. As long ago as at the November meeting of the coalition's clubs, the SLD's Zbyszek Zaborowski submitted the following proposal: Pawlak for president, Kwasniewski for prime minister. The PSL's answer at that time was a clear no: In this coalition, there may be only this prime minister. The reason the SdRP submitted such a proposal may be that its representatives only want to avoid additional disputes within the coalition, caused by the presidential campaign. However, there may also be another reason: a return to the idea submitted two months ago—that is, making a change in the post of prime minister.

If so, this means that Lech Walesa has succeeded in driving a wedge between the coalition's groupings, which the conflict with the president has been evidently consolidating for a few months now. In addition, Lech Walesa managed to achieve this with just one brief statement by Minister Falandysz: Kwasniewski would be a better prime minister than Pawlak.

Jerzy Szmajdzinski interpreted the minister's statement as an attempt to split the coalition, which will certainly be abortive. Aleksander Kwasniewski declared the full

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support of the coalition for the prime minister, but immediately afterward he spoke about the need to restructure the government.

Change or Merely Reorganization

To the surprise of the PSL, on 6 January the SLD leader announced that it is necessary to restructure the government—to change “some ministers, officials, and aides, who do not always play a positive role.” The PSL replied that only the presidential ministries can come into play. The peasants are afraid that the left would like to recall primarily two persons: Michal Strak, head of the Office of the Council of Ministers, one of the most criticized and least popular ministers in the Pawlak government, and Professor Mieczko, who is the head of the prime minister's advisers. It is he who the left blames for, among other things, encouraging the prime minister to change his decision concerning the resignation of Andrzej Olechowski. It is possible that the PSL leaders who are not linked to the government would agree to the recall of the two politicians, who are not very popular with the peasants. However, they will certainly not agree to change the prime minister. All other issues are decided by him.

On 7 January, the SdRP leadership announced that it would like to see Poland's administrative-economic center reorganized and restructured. More precisely, it would like to set up a Treasury Ministry and a Ministry of Economy, which was provided for in “Strategy for Poland” and which the PSL also agrees to. The reorganization and restructuring of Poland's economic-administrative center would be accompanied by the signing of a new coalition accord. This means that it will not be signed as early as the SLD would like—that is, on 10 January. The left is expecting that the accord will remove doubts concerning the decisionmaking process in the coalition and the manner of running the Council of Ministers, that it will specify a long-term plan of the government's work—in other words, that it will curtail the arbitrariness of the PSL and the prime minister, as well as the influence of advisers on his decisions. The PSL, in turn, is saying that the new version of the coalition accord will be an attempt to change the directorate into some kind of a supergovernment or a political bureau where decisions will be made.

The SLD may have come to the conclusion that the time has come to take advantage of the change in the president's tactics. For a few months now, Walesa has not been discriminating between the good and the bad part of the coalition. Aside from that, the target of his attacks is no longer Kwasniewski but, rather, the prime minister. It is possible that the PSL, which will no longer be able to count on support from the Belweder, will be inclined to make concessions.

The SLD is considering the possibility of filling the vacant posts in the presidential ministries and restructuring the government by submitting a constructive no-confidence motion in the Sejm. This was mentioned

by, among others, Jerzy Szmajdzinski. Aleksander Kwasniewski conceded in Radio “Zet” that he was not very enthusiastic about this idea. The small constitution offers a group of Sejm deputies the possibility of submitting a motion to recall the government and to approve a new cabinet by voting at the same time. The Sejm may do this, but absolute majority is required. In such a situation, all the president can do is appoint the government and take part in the swearing-in ceremony. The constructive no-confidence vote would enable the coalition to appoint its own candidates in the so-called Belweder ministries: the National Defense Ministry, where the ministerial post has been vacant since November; the Foreign Affairs Ministry, the head of which is on leave and it is not certain whether he will return; and the Internal Affairs Ministry.

The possibility cannot be ruled out that soon after the Constitutional Tribunal [TK] announces its decision, the ministerial post in the Justice Ministry will be vacant as well. Minister Cimoszewicz declared that, if the TK decided that his interpretation of the law was incorrect, he would tender his resignation. It is not known whether Foreign Economic Cooperation Minister Leslaw Podkanski will not be forced to step down after the 7 January publication of *ZYCIE WARSZAWY*. The daily published an article that proved that, despite the opinion issued by the auction commission, he had chosen the InterArms company as the firm that should receive the contract for computerizing the ministry. The newspaper wrote about this earlier, but at that time Podkanski accused it of publishing lies.

Encouragement for President

The president will certainly not help the coalition appoint new ministers.

Apart from that, a constructive no-confidence vote would be dangerous for two reasons. Submission of such a motion calls for enormous discipline and great trust in the coalition. The former is possible, which has been proved by recent sessions of the Sejm. However, trust is a problem. The peasants already fear that, at the last moment, the left might demand additional changes in the government—in the post of the prime minister, for instance.

However, the most important issue is the likelihood that the president will allow the coalition to put such an idea into effect. If he did, he would deprive himself of influence in the presidential ministries. Such an idea can only encourage Walesa to make a move faster than the coalition; he can make life difficult for the coalition—for example, by vetoing the budget, which Solidarity has officially appealed for, or even by dissolving the parliament.

The coalition does not seem able to make a final decision to amend the small constitution and to limit the president's powers. As a result, the coalition might be accused of trying to take some of the constitutional powers away

from the head of state, which might finally lead to the dissolution of the parliament.

However, could such a government, which would be in conflict with the president, function for a long time?

Walesa Sees Pawlak as 'Out of His Depth'

LD0901213295 Warsaw TVP Television Second Program Network in Polish 2000 GMT 9 Jan 95

[Relayed by Warsaw TV Polonia Network]

[FBIS Translated Excerpt] President Lech Walesa does not want Waldemar Pawlak to continue as prime minister. In an interview for the POLITYKA weekly, the president has said that, if he still had the power to recall the head of the government, the Polish Peasant Party leader would have ceased to be prime minister six months ago.

[Correspondent] Before the small constitution came into force, the president had the power to cast a no-confidence vote against the prime minister and the government.

[Begin recording] [Walesa] I must say we have done harm to Prime Minister Pawlak. At the time he was taking over his office, I said that the situation in Poland would become too much for him. In my opinion, he really is out of his depth now. Because he is young, one should not harm him, but one should make it possible for him in some way to take a holiday. Someone else should take charge of the government in this period.

In my opinion—and it is not a malicious one—he simply lacks experience. The situation is simply too complicated for the amount of experience he has.

[Jerzy Szmajdzinski, secretary general of Social Democracy of the Polish Republic—captioned] I think it is a good thing that Lech Walesa has no power to dismiss the prime minister. It is enough that he can introduce frequent changes in his own environment. Many changes have already taken place, and we are expecting even more. There are several politicians close to him who deserve an equally harsh assessment as the prime minister. [end recording]

[Correspondent] One of the president's accusations against the prime minister is the issue of the appointment of the chief police commander. Lech Walesa added that there are more such issues—for example, privatization and foreign loans.

We have been told by the Government Press Office that, in accordance with an earlier agreement, an interview with the prime minister will be published in the next issue of POLITYKA. Because the interview will take place probably this week, one can expect that Waldemar Pawlak will respond to the president's accusations.

Today the traditional meeting between the two politicians has not taken place. The prime minister briefed the

president on the phone on the current work of the government, particularly the agenda of the next meeting of the Council of Ministers, at which, among other things, there will be a discussion on health-service reforms. No other matters were discussed, the Government Press Office statement says. [passage omitted]

Walesa's Attack on PSL Strengthens Party Unity

WS0901145695 Warsaw GAZETA WYBORCZA in Polish 7-8 Jan 95 p 3

[Article by Wojciech Zaluska: "Party Patriots"]

[FBIS Translated Text] "The president always fights against those who are strongest. Now it is our turn," say politicians from the Polish Peasant Party [PSL]. To repel Walesa's offensive, they are stamping out internal conflicts. The party opposition is ceasing to criticize Pawlak. The Prime Minister is extending his hand toward them.

We wrote about the conflict within the PSL. The party is ruled undividedly by Pawlak, [Head of the Office of the Council of Ministers—URM] Strak, Minister Podkaniski, and chief adviser Mleczo. The most important decisions are made at URM.

Frustrated by Pawlak

The parliamentary club is cut off from information and has no influence. Frustrated deputies formed an opposition, led by Piotr Chojnacki, Roman Jagielinski, and Janusz Piechocinski. They claim they are backed by 30-40 deputies.

The number of Pawlak's critics is said to be growing. Some oppositionists are considering establishing a faction. Everyone wants more democracy within the PSL. They believe that Pawlak holds too much power and, being prime minister, head of the party, and head of the parliamentary club all at once, is incapable of fulfilling all his duties. He also errs as prime minister.

"In the opinion of the public, the PSL equals Pawlak," leaders of the opposition said several weeks ago. "This is a very dangerous situation. If the prime minister stumbles, the whole party goes with him."

Pawlak's Posturing

Currently, the opposition has changed its tone. "In the face of a threat, internal party solidarity comes to the fore," we hear from Janusz Piechocinski. He claims that the president is not the only one who wants the PSL to trip. The Democratic Left Alliance and the Freedom Union would also be glad to see the PSL grow weaker.

Pawlak is taking advantage of the situation. He is calling for the party to unite and is making conciliatory gestures toward his critics. "It is true that he is extending his hand in our direction, but I cannot reveal any details," Jagielinski says. "Other oppositionists do not rule out the

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possibility of changing the acting head of the parliamentary club. Franciszek Stefaniuk ('Pawlak's man') is criticized for 'poor performance—he might be replaced by someone the opposition approves of.'

Backstage in the PSL, it is said that the prime minister might make other compromises. He might, for instance, introduce a regulation prohibiting holding offices in both the party and the government. That regulation, of course, would not be applicable in the case of Pawlak himself.

Pawlak's Hopes

It is difficult to predict whether the prime minister will fulfill these hopes. For the time being, he has begun talking with the opposition. Roman Jagielinski was told he would not be demoted as head of the agricultural commission, although numerous Pawlak supporters made such a claim.

On Thursday evening, the prime minister called a meeting of the PSL elite, to which Jagielinski and Piechocinski were invited. During the discussion, he was also conciliatory toward Aleksander Luczak. The once influential deputy prime minister was debarred from real power several months ago and has since joined a group of dissenters.

Pawlak wants the PSL congress scheduled for February to become a manifestation of party unity. Everything seems to indicate that he will achieve that goal. The president's attacks have enhanced internal party patriotism. The opposition agrees to an "armistice" but stresses that it will not give up on reaching its goals.

Right, PSL Said Considering Election Alliance

WS0601140895 Warsaw GAZETA WYBORCZA in Polish 6 Jan 95 p 3

[Article by Wojciech Zaluska: "Right Talks to PSL About Common Future: Rapprochement in Discussion"]

[FBIS Translated Text] "*Geremek and Kuron told the press they do not want early elections because they are afraid the right might form an alliance with the Polish Peasant Party [PSL]. I am not afraid of that," the leader of the Christian National Union [ZChN], Ryszard Czarnecki, said yesterday. PSL and rightist politicians flattered each other for hours at the Pietrzak Club, formerly a venue of the Christian Social Association.*

The PSL was represented by, among others, Parliamentary Club Chairman Franciszek Stefaniuk and Deputy Janusz Dobrosz. The right was represented by Czarnecki; Romuald Szeremietiew, former head of the Movement for the Republic; and Ireneusz Jablonski, from the Chief Council of the Union for Real Politics [UPR].

"The PSL is in the government, and the right wing is in opposition. This does not necessarily have to stay that way," said Czarnecki. He attacked the Democratic Left

Alliance, sparing the PSL: "We see a difference between [Labor Minister] Miller and [Agriculture Minister] Smitanko, who ended his oath in office at the Belweder with the words 'So help me God.'"

According to Czarnecki, we are inevitably bound for a bipolar system. A liberal-left and a nationalist-right camp will appear. The ZChN leader assumes the right might join forces with the PSL in the latter. The PSL representatives did not object; Stefaniuk even made reference to common roots. He recalled that his party's chief values were peasant, Christian, national, and patriotic.

The speakers were very cautious, but they did step on each other's toes several times. When UPR's Jablonski said Witos [pre-World War II peasant leader] was a bad prime minister, Stefaniuk immediately protested. The PSL members became edgy whenever anyone said that their party represented the peasants and not the entire nation.

Real problems appeared when economic issues came up. Jablonski called the PSL a trade union for the Polish countryside, which does not bring Poland any closer to a market economy and hampers privatization and restitution. "I do not understand," he said with surprise, "why the party of private owners in the countryside is suppressing the emergence of a similar urban class."

The PSL representatives did not hide the fact that their idol is Eugeniusz Kwiatkowski [minister in pre-World War II government] rather than classics of the liberal movement. Stefaniuk argued that protection of the domestic market is in line with nationalist values. He was applauded.

"Rapprochement with the PSL must be preceded by a serious program debate," concluded Czarnecki. He said the easiest issue on which to agree would be foreign policy. Both sides want to be part of a 'Europe of nations' and are critical of the Maastricht Treaty. Szeremietiew wished the PSL had chosen to follow the Witos tradition, not that of Gucwa (president of the United Peasant Party in times of the Polish People's Republic—ed.).

Advocates of the debate included those politicians from the Covenant for Poland [PdP] and the 11 November Accord who want rapprochement with the PSL. There is an ongoing discussion on this issue in both camps. The Center Accord and the Conservative Coalition (from the PdP) and the Conservative Party with the Peasant Christian Party (from the 11 November Accord) prefer forming an alliance with the Freedom Union. They have already started talks with Tadeusz Mazowiecki on putting forth a joint presidential candidate.

Rightist Parties Want Joint Campaign Bloc

WS1001102495 Warsaw ZYCIE WARSZAWY in Polish 7 Jan 95 p 2

[Article by Igor Zalewski and Piotr Zalewski: "Will the Right Unite in One Bloc on 14 January?"]

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[FBIS Translated Text] *Ten parties from the two major rightist blocs have agreed to take part in a joint integration conference on 14 January. Nearly all of them want to establish a joint election committee as soon as possible. The issue of a presidential candidate may cause controversy. Freedom Union [UW] Leader Tadeusz Mazowiecki is trying to persuade the right to support Krzysztof Skubiszewski.*

Parties from the Covenant for Poland (Center Accord [PC], Christian National Union [ZChN], Peasant Alliance [PL], Movement for the Republic [RdR], Conservative Coalition [KK]) and the 11 November Agreement (Union for Real Politics [UPR], Christian Democrat Party [PChD], Christian Peasant Alliance [SLCh], Conservative Party [PK], and National Democratic Party [SND]) agreed last Friday to hold a joint program conference. It is to be a breakthrough in the integration process on the right. All parties are to sign a program declaration that would allow the formation of one campaign bloc.

SLCh leader Artur Balazs and KK leader Aleksander Hall, regarded as advocates of cooperating with Freedom Union [UW], were very skeptical about the rapid formation of an election bloc. ZChN leader Ryszard Czarnecki, coauthor of the project of uniting the right, was also surprisingly cautious. He allegedly fears attacks from the pro-Walesa faction within the ZChN, headed by Henryk Goryszewski and Jan Lopuszanski, for compromising with other rightist groups.

The first draft declaration was prepared by six parties: RdR, ZChN, PL, UPR, PChD, and SND. It is conservative in terms of ideology and liberal on economic issues. It supports restitution and privatization, state decentralization, elimination of the budget deficit, the lowering of taxes, the reviewing of files, and settling the issue of communist crimes.

There will be no obstacles to reaching an agreement on the above issues with the remaining four groups: PC, KK, PK, and SLCh. In the draft declaration, "the group of six" has included a political conclusion, difficult for the "group of four" to swallow. One of the articles condemns the concept of reactivating the camp of Post-August Poland. Meanwhile, conservative leader Aleksander Hall and, less stringently, PC President Jaroslaw Kaczynski opt for putting forth a joint presidential candidate together with UW. Such a provision may, however, be omitted in the final version of the text. The reconciliation between Kaczynski and Korwin-Mikke seems to point to that.

The head of UW, Tadeusz Mazowiecki, is still trying to convince his colleagues about the need to form a wider presidential bloc. He recently attempted to persuade the presidium of his own party, as well as the rightist groups, to support former Foreign Minister Krzysztof Skubiszewski. He also spoke with ZChN leaders. If Skubiszewski refuses to run, which seems highly probable, Mazowiecki suggests that Andrzej Zoll, head of the Constitutional Tribunal, be the candidate.

Neither of these candidacies, however, is greeted with enthusiasm on the right, even by advocates of Post-August Poland. Adam Strzembosz, president of the Supreme Court, is increasingly gaining support among them. Another group within UW, headed by Bronislaw Geremek, insists that the presidential candidate should be a representative of the party: It should be either Jacek Kuron or Hanna Suchocka.

Daily Analyzes Relations Between Right, 'S'

WS1001103095 Warsaw RZECZPOSPOLITA in Polish
9 Jan 95 p 5

[Article by Marcin Dominik Zdort: "'Solidarity' for Right or Right for 'Solidarity'"]

[FBIS Translated Text] When Solidarity ["S"] lost the parliamentary elections in 1993 (the union lacked 14,000 votes to meet the 5-percent requirement), for a couple of months it did not get involved in politics at all. It seemed that it would give up its political aspirations and focus on trade union activities. However, to the surprise of some observers, "S" finally decided to link itself to the Secretariat of Center Rightist Groupings [SUC], an organization consisting of several minor parties that describe themselves as "anticommunist and independence-oriented."

Members of SUC are, among others, Jan Parys' Movement of the Third Republic, Tomasz Jackowski's Christian Democracy-Labor Party, Wojciech Ziembinski's Party of Loyalty to the Republic, and Andrzej Anusz's Polish Union. Cooperating with this bloc are such parties as Jan Olszewski's Movement for the Republic [RdR] and Antoni Macierewicz's Polish Action.

Union's Draft Constitution

At the congress of center rightist parties in Krakow on 5 December 1993, SUC set up a constitutional commission, whose task was to prepare the social bill of the basic law. The principle the commission was to be guided by was its apolitical character. Members of the commission, who acted as experts, became, among others, Jan Olszewski, Krzysztof Piesiewicz, Kazimierz Barczyk, and Jozefina Hryniewicz.

"S" decided to assume patronage over the commission. In return for that, "S" leader Marian Krzaklewski became its honorary chairman. Participating in the work were members of the "S" Senate Club—Piotr Lukasz, Juliusz Andrzejewski, Zbigniew Romaszewski, and August Chelkowski.

SUC politicians and "S" leaders were hoping that the law on the mode for preparing the constitution would provide for the possibility of taking advantage of the civic constitutional initiative. Indeed, SUC soon was tasked with collecting a half-million signatures under the bill.

"The only force that is capable of collecting 500,000 votes is 'S,'" center-rightist politicians said frankly. The signature-collecting campaign, which was a huge success (according to "S" activists, not a half, but one and a half million signatures were collected) strengthened the cooperation between "S" and SUC. "S" declared that it was an "organization that supported" SUC. Its meetings were usually attended by a representative of the union. Most often it was Janusz Tomaszewski from Lodz, even though Chairman Marian Krzaklewski did not avoid contacts with the center right, either.

Without Unification Under Wings of "S"

Another step that brought SUC and "S" closer together was the program conferences in Krakow, which were usually attended by "S" activists. The culmination of the Krakow meetings was to be the December (1994) integration conference of the right. Invited to the conference were also the two biggest rightist blocs: Covenant for Poland [PdP] and 11 November Accord [P11L]. The invitations were signed by the "S" leader, who wanted to act as the patron of the unified right. Krzaklewski was also to deliver the opening speech at the conference, which was to be the greatest prestige success of SUC and "S."

Hope for a successful conference was all the greater because representatives of the right wing from outside SUC had also in recent months begun to count on cooperation with "S." The union, which was strengthened by the constitutional campaign and the ever more frequent protests and that continued to achieve 10-percent support in opinion polls, had become an attractive partner, especially at the time the presidential elections were drawing closer. It turned out, however, that the PdP and the P11L were not inclined to accept the draft constitution prepared by the Social Constitutional Commission and to treat it as "a proposal of a joint programmatic platform." SUC politicians "smuggled" such a clause into the official text of the invitation to the conference.

The PdP and the P11L announced that their representatives would not attend the meeting. Later, a similar decision was made by Marian Krzaklewski, the would-be patron of the unified right, who explained that he had duties to perform in the union.

Cooperation in Performing Tasks

As it turned out, the attitude toward the "S" draft constitution set the limit of agreement between union and the rightist parties. Even though talks with "S" were readily held not only by the leaders of SUC but also by the Christian-National Union [ZChN] or even the traditionally anti-trade-union Union for Real Politics [UPR], programmatic differences have turned out to be insurmountable so far. The social, that is, "S" draft constitution was called socialist by a large part of the right wing. For this reason, it was unacceptable, unless some serious changes were made. Hence, the difficulties in improving

the cooperation of the entire right and center right, started with the discussions at the presbytery of St. Catherine Church, organized by Father Maj.

"We can cooperate on any issue in which our programs coincide, even though I do not know whether 'S' has some political program," says Janusz Korwin-Mikke. The leader of UPR (component of P11L) recalls that there were situations in the previous Sejm when UPR voted the same as the Labor Union, even though both parties sat at opposite tables in the hall. He also draws attention to the fact that, even though it may criticize the PSL, for instance, and call Pawlak's party a "reclaiming trade union," UPR can at the same time support his view on powiats [small administrative units].

In Referendum and Presidential Elections

Similarly, Kazimierz Michal Ujazdowski of the Conservative Coalition [KK] (part of the PdP) objects to close cooperation with "S" and SUC in the Saint Catherine Covenant. "We reject the possibility of allowing a situation in which 'S' and its program become the main axis of the unified right. The right cannot be an addition to a trade union," Ujazdowski says.

Leaders of the PdP (which consists of Center Accord, the ZChN, RdR, Polish Peasant Party-Peasant Accord, and KK) do not conceal the fact that they would be willing to cooperate with the trade union in a constitutional referendum; they would also like "S" to support the candidate of the right in the presidential elections. Even Aleksander Hall of the Conservative Party (component of P11L), who is still hoping that a common candidate will be fielded by the entire "Polish Post-August camp," would like the Independent Self-Governing Trade Union "S" to back such a candidacy.

Right for "S" or Vice Versa

Thus, two evident attitudes toward "S" can now be distinguished. The strong rightist blocs—the PdP and the P11L—expect that the union will cooperate with them in the constitutional referendum in a campaign aimed at rejecting the draft constitution adopted by the National Assembly. However, they rule out the possibility of accepting the bill of the basic law prepared by "S" as their own. They are also hoping that once one a rightist candidate for president has been chosen, "S" will support and assist him in the campaign. What counts here are the well-organized structures of the union, which most of the rightist parties obviously lack.

SUC is made up of minor groupings that have until recently been ignored by the other extraparlimentary coalitions. It should also be stressed that these parties can be called rightist mainly as far as their ideology is concerned—attitude toward national traditions and the church. As for their economic concepts, they are usually considered leftist. Therefore, close cooperation between SUC and "S" has not come as a surprise. SUC has begun

to treat "S" as a partner that is ready for talks, and "S" is prepared to treat SUC as a partner with full rights.

What is more difficult to pin down is what exactly "S" sees in SUC. Much seems to suggest that the union, which was deprived by the Electoral Law of the possibility to run in the next parliamentary elections and that has not decided to set up its own party, wants rightist parties to become its political wing. The weak SUC would not be in a position to dominate and take advantage of the union. However, according to "S" leaders, it may be turned into a group of political experts, as it was during the preparation of the social constitution bill. In the future, it might even become a parliamentary club that would present opinions of the unionists at the forum of the Sejm. "S" would probably also like all the other rightist parties to join this group. It is hoping that the political situation will force them to do so. However, the PdP and the PiSL keep declaring that they will do anything not to become a subsidiary of the union.

Russian Official Interviewed on NATO

WS0901145495 Warsaw RZECZPOSPOLITA in Polish
9 Jan 95 p 25

[Interview with Sergey Krylov, Russian deputy foreign affairs minister, by Piotr Jendroszczyk in late December; place not given: "Desire To Join NATO Detrimental to Poland"]

[FBIS Translated Text] [Jendroszczyk] Do you think the developments in Chechnya affect Russia's foreign relations?

[Krylov] They do not affect them in any way. It is an internal Russian affair.

[Jendroszczyk] However, one can come across opinions, particularly in the Moscow press, that the conflict in Chechnya can speed up the process of the East European countries' integration into NATO.

[Krylov] I see no direct relation here. I know perfectly well, however, that many countries, such as Poland, are really eager to join NATO. I believe that this is detrimental to Poland. However, it is Poland's choice.

[Jendroszczyk] How do you think Poland's desire for close integration with the West affects Polish-Russian relations?

[Krylov] I will try to explain this by quoting the opinion of a well-known and serious Polish politician. He said that, as a result of Poland's integration into NATO, Poland will find itself in a zone close to the front. These are words spoken by a Polish politician. This is an exaggeration because we cannot speak about any fronts in contemporary Europe.

My interpretation of this opinion is that Poland is between two poles, as it were: NATO on the one hand, and Russia on the other. I assume that NATO will not expand rapidly and hastily. On the other hand, if one

wants to maintain Europe's unity, one must prevent a situation in which one country joins some specific institutions and another, especially Russia, is deprived of such an opportunity.

[Jendroszczyk] Can you reveal the name of the politician whose opinion you have quoted?

[Krylov] The name does not matter much here because I believe that the opinion of my Polish interlocutor is shared by specific political forces. I will only add that this man is well known and has been well known for some time.

[Jendroszczyk] How might Russia react if Poland did become a member of NATO in a few years?

[Krylov] Poland will not become a member of NATO in a few years. This calls for much more time and considerable preparation. During that time, a psychological breakthrough will certainly occur on both sides. What may happen in Russia? Most of our people look upon NATO as an unfriendly organization, one that is heading for confrontation. This is the way NATO has been treated for decades, and one cannot expect that anything will change in people's minds overnight. Now, as I look at it all from the point of view of Poland, I am sad to say that anti-Russian moods in Poland are quite strong. I do not claim that they are to be found in all social layers; however, they are noticeable, which, incidentally, the Polish press reports as well. This, unfortunately, is how the present day looks, and it cannot be forgotten. I fear that, if Poland became a NATO member, the anti-Russian moods might increase even more.

[Jendroszczyk] Do you share Zbigniew Brzezinski's opinion that there is a kind of vacuum in East Europe? This view leads him to the conclusion that Poland should be admitted to NATO.

[Krylov] The Warsaw Pact does not exist any longer. However, despite that, I cannot see any vacuum in this region. First, because the East European states, including Russia, are in the CSCE (now OSCE—the interview was conducted in the last days of the previous year—editor's note). Second, the Council for Mutual Economic Assistance is a thing of the past as well. However, this does not mean that the economic links among the countries that once were members of this organization have ceased to exist. Third, the issue of the usual tourist contacts between Poles and Russians. Many Russians are making trips to Poland, just as many Poles are visiting Russia. Thus, there is no vacuum.

Now, when we consider whether there is a vacuum from the point of view of security, we ought to note that only 16 countries, including 14 European ones, are members of NATO, whereas there are over 50 countries on the old continent. Does this mean that all of the remaining European states are in a security vacuum?

[Jendroszczyk] You have been handling Polish issues for a long time now. How do you see contemporary Poland and its politicians?

[Krylov] Most Russians are not unfavorably disposed toward Poland, just as most Poles are not unfavorably disposed toward Russia. Nevertheless, there is a group of Polish politicians who, for their own political reasons, are trying to prove that Russia may be a threat to Poland. I believe that Poland has not found its place in Europe yet, even though it firmly demands integration with NATO and the EU.

[Jendroszczyk] Quite a lot of time has already passed since Prime Minister Chernomyrdin's visit to Poland was canceled. Now one can calmly evaluate what happened at that time. Was the incident at the East Railway Station the only reason the visit was postponed?

[Krylov] I already said on several occasions that the only reason the visit was postponed was the incident at the Warsaw railway station. Those who are trying to find other reasons are people who are unfavorably disposed toward Russia.

[Jendroszczyk] When can we expect Prime Minister Chernomyrdin in Poland, then?

[Krylov] We are trying to set a date now. I have not heard about any specific date that Warsaw would be interested in. I hope the visit will occur in the near future.

Government Official on Joining EU, OECD 95P20162A

[FBIS Media Note] In two extensive interviews in the semiweekly Warsaw publication RYNKI ZAGRANICZNE (FOREIGN MARKETS), Under Secretary Andrzej Byrt of the Ministry of Foreign Economic Relations spoke about Poland's efforts to enter the European Union (EU) and the Organization of Economic Cooperation and Development (OECD) (8 November, 8 October issues). Byrt is an economist who has been in his current position since 1992, serving both the present SLD-PSL (Democratic Left Alliance-Polish Peasant Party) coalition government as well as the preceding government of Hanna Suchocka. In this capacity, he has served as chief negotiator for a free trade zone with EFTA [European Free Trade Association] and as cochairman of the Poland-EU Joint Commission.

Poland has participated in the OECD Partners in Transition Program since 1991, and, according to Byrt, a report due this month on the successes of Polish economic reforms is "expected to conclude" that Poland is in a good position to embark on full membership in the OECD. Byrt headed the delegation that presented Poland's economic policy at the 16 September meeting at the OECD's Paris headquarters and also took part in a recent EU meeting of ministers from the 12 EU member states with states that have expressed interest in joining. Byrt said that this was the "first meeting" that showed "the member and incoming states how the EU's eastern border really looks."

The European Union

On the question of whether the Visegrad countries' desire to join the EU would result in either cooperation or rivalry among them, Byrt recalled that, to date, only Poland and Hungary have applied for EU membership. The Czech Republic and Slovakia are "apparently" still awaiting ratification of the modified European Agreements, with the Czechs "officially" stating that they are in no hurry to file for membership. Poland's agreement was ratified and was activated in February 1994, and its application is now under review by the commission. The "fundamental question" at present, however, is "what kind of Union" Poland will be joining: The EU conference scheduled for 1996 will decide the future form of the EU, with at least three new members due to join in 1995. This increase, Byrt remarked, is "sufficiently large" to raise questions about "the efficiency of the whole organization." According to Byrt, Poland is now fulfilling the basic conditions for EU membership. He questioned the conclusion of the Baldwin report (report by Professor Richard Baldwin of the Center for Economic Policy Research in London, commissioned by the EU) that admitting the Central East European states into the EU in the near future would be a mistake and that complete adaptation of these states to EU regulations would take about 30 years, a view Byrt found considerably "overstated." He contended that Poland had already fulfilled "two fundamental criteria" for EU admission as formulated in the Treaty of Rome by being a democratic country and having a "de facto" market economy.

The "problem," Byrt maintained, is that the EU has developed a "very costly mechanism" for financing economic development and has introduced various additional, specific demands—such as those contained in the Maastricht Treaty, which are "more restrictive" than those conditions included in the founding agreement. He acknowledged that this is part of the EU's natural process of development, with the organization placing ever higher demands on itself, demands that he said Poland also intends to reach. For example, inflation in Poland should level off at 10 percent by 1997, thereby fulfilling one of the Maastricht Treaty's conditions. Byrt also pointed out that Poland had reduced its budget deficit to 2.9 percent of the GDP, below the EU benchmark. Poland, he maintained, is "worse off" on average long-term interest rates, but improving that will depend, above all, on beating inflation.

As a result of the 1996 EU Conference that is expected to determine the future of the EU, Poland "expects" to have in hand a timetable for its "gradual entry" into full membership, which would serve "in some measure as an introduction to the beginning of formal negotiations," most likely in 1997. Byrt said he expected these negotiations to be a "lengthy process," recalling that, in the past, new states entered "in smaller groups," and, in particular, that their average level of development did not "radically" differ from the average of the member

states, which would not be the case with the Central East European countries. Byrt stressed that Poland is ready, following the ministerial conference in 1996, to begin negotiations for admission to the EU, "on the assumption, however, that we secure a transition period that would allow us to accommodate our economy to the existing conditions in the EU." This is not an unprecedented assumption, noted Byrt; other countries were granted "such partial repeals" in the past and benefited from "qualified financial assistance" offered by the EU.

In this vein, Byrt emphasized that the concept of "a Europe at various speeds" of development or of a "variable geometry" was "already a fact," regardless of "whatever negative things" could be said about it. He explained that this concept entails member states fulfilling the Maastricht Treaty criteria "in varying degrees." From Poland's point of view, he said, "it would not be beneficial" to have categories of "better" or "worse" EU members because this would "ultimately" lead to disunity based on which countries "are more or less advanced, more or less wealthy, and more or less adaptable." Byrt declared that such a development would "result in the acceleration of the internal differentiation of the Union, intensification of antagonisms, and international conflicts."

The OECD

A forthcoming OECD report covering 1992-94 "confirms" the "clear success" of the transformation of the Polish economy, according to Under Secretary Byrt. This "does not necessarily mean," however, that Byrt received only positive feedback when he presented Poland's economic policy to a meeting of the Economic and Development Review Commission. On the contrary, Polish policy was critiqued and analyzed by representatives of the 25 member nations "from the angle of their own countries' experiences." Even so, said Byrt, the "positive evaluation" of Poland's economic policy indicates that "we find ourselves on the path leading to full participation in the OECD." Poland's chances of becoming a full participating member of the OECD before more developed countries (such as South Korea) is considered fairly strong, noted Byrt, who explained that this "important preference" for Poland and other Visegrad Group countries comes from recognition of their achievements in economic restructuring from socialism to capitalism, and for the changes in economic policy. Poland, he declared, is the "evident model" in terms of the speed, depth, and range of its reforms.

He contended that Poland's affiliation with the OECD, as well as with the World Trade Organization, is "essential" in facilitating EU membership, although no one has yet said "directly" that this is a requirement.

Poll Shows Poles Remain Pessimistic, Tense

WS1001122095 Warsaw ZYCIE WARSZAWY in Polish 7 Jan 95 p 2

[Article by "NIKA": "OBOP: We Remained Pessimistic in December"]

[FBIS Translated Text] *Evaluation of the economic situation in our country has been very critical for several months now. This judgment is accompanied by huge tension and social unrest, claim the results of a poll conducted by the Center for Research on Public Opinion [OBOP] in December.*

The majority (60 percent) of 1,035 Poles polled in early December believe things are not going in the right direction in our country. Merely one in four respondents states things are improving. OBOP poll results have been similar for the past several months.

The majority (58 percent) of those polled are convinced the national economy is in a state of crisis. Many fewer people (35 percent) claim it is growing. At the same time, there is widespread belief that government policy does not provide reasons to hope for improvement: The economic policy laid down by Pawlak's team is approved of by a mere 37 percent of those polled; only slightly more people are critical of it—42 percent.

Both the president and the prime minister lack substantial social support. In mid-December, however, Walesa had many more critics: One in five respondents approved of him (of which every second supporter was from the Nonparty Bloc in Support of Reforms and more than half were supporters of Solidarity). The vast majority (70 percent), however, held an opposite opinion. While 43 percent of those polled believed the president performed his duties well, nearly the same number of people, 40 percent, claimed otherwise.

Criticism of current developments in the country coincides with the lack of hope that the standard of living will change for the better (only 24 percent of those polled cherish such hopes). The dominating belief, shared by two-fifths of the respondents, is that the material situation of our society will worsen even further over the next three years. One in three respondents claims that our material status is unlikely to worsen and will probably stay at the current level.

Almost all of those polled claim they feel tense and anxious (68 percent). A mere 11 percent state that the majority of the people they know feel at ease and calm. It should be added that the undecided considerably outnumber respondents holding extreme opinions. One in a hundred respondents claims feeling unruffled; one in four complains of feeling very tense.

Police Close Down Largest Illegal Armory to Date

WS0901155795 Warsaw ZYCIE WARSZAWY in Polish 7 Jan 95 p 1

[Article by "PLU": "Warsaw. Another Arms Factory Discovered: 1,700 Guns From Illegal Armory"]

[FBIS Translated Text] Yesterday, police from the Praga Poludnie district of Warsaw closed down a virtually professional illegal armory, the largest one discovered thus far.

During the operation, which lasted from Wednesday until yesterday, the police discovered a very well-equipped armory in one of the houses in Stara Milosna, in the suburbs of Warsaw, where Walther gas pistols were modified into firearms. The police found, among other things, a CZ miniature rifle, 114 bars of raw material for the production of gun barrels, and tools for the production of firearms. The police also found 700 kg of brand new 20-zloty coins that are no longer in use and 200 pieces of 32-caliber new generation bullets of Brazilian production.

On Thursday, the police arrested two men suspected of producing firearms. The same evening, the police discovered an entire warehouse of remanufactured guns—39 Walther P88's and 20 Walther PPK's, as well as close to a hundred drum magazines and several hundred bullets. The market value of the entire arsenal was approximated at more than 1 billion old zlotys. As the investigation shows, no less than 1,700 pistols were remanufactured in the illegal armory.

Ciorbea on CNSLR-Fratia Split, Mitrea Actions

94BA0401A Bucharest ROMANIA LIBERA in Romanian 17 Aug 94 p 3

[Interview with Victor Ciorbea, chairman of the National Confederation of Free Unions in Romania, by Ana Maria Vintan; place and date not given]

[Text] [Vintan] Why do you think it necessary to create a new trade union confederation?

[Ciorbea] Not only I feel this need; so do all the county federations and unions, all trade union members who do not agree with the confederation's servitude toward the government party, the current government, the current parliamentary majority and the government. This need is also being felt by all those who still believe in true and independent trade unionism, a trade unionism that can be achieved by a confederation that must break away from the current CNSLR-Fratia [National Confederation of Free Unions in Romania-Fratia], separate from it, adopt an opposition position as regards the government and the government party and, together with the democratic opposition, take action so that society's democratization process occurs normally.

[Vintan] Doesn't placing the new confederation alongside the opposition parties still mean political servitude?

[Ciorbea] No, not in any case. It is a question of what I was calling an independent confederation that would naturally take an opposition position toward the current government. We know that, among other things, the state is the main protector during the transition period and it is absolutely unnatural for a trade union organization to be on the side of the protector which, if not an enemy and adversary, is constantly and at least the partner we negotiate with and with whom we are normally and naturally in opposition.

[Vintan] Do you think this confederation is completely touched by the microbe of the government?

[Ciorbea] I would like to add to the previous question that this confederation that would come from CNSLR-Fratia would combine the federations, unions and trade unions from the present confederation and other trade union organizations outside it that are in agreement with the ideas and principles that we have set forth, and that come out in favor of a true and independent trade unionism. Referring to the last question, it is not only a matter of options or of Mitrea's likes. It is, rather, as we have found, about this microbe that has touched a large group of leaders at the level of the confederation, of the federations and county unions. A large portion of this group is also seen in the leadership of the Social Solidarity Party. On the other hand it is not merely a matter of attraction to the PDSR but a matter of those involved having a real veneration of certain people in the leadership of the government party and the current government. This attitude has undoubtedly been reflected in, and put its mark on, the confederation's activity.

[Vintan] So, is there a direct link between this veneration of which you spoke and the failure of trade union actions up to now?

[Ciorbea] Shortly after CNSLR-Fratia was formed, the media noted that a giant with feet of clay had been created. Precisely, due to the fact that by following these options and feelings, the group we were talking about, even if it was not against organizing certain demands, in any case did not participate with good will in organizing and carrying them out—particularly in being specific about negotiations that took place and in taking the steps needed to apply them. This was also reflected in the nonchalance with which the government treated the demands we formulated this last year.

We know very well that not one of the major demands formulated was truly resolved, whether it was a matter of finalizing the collective labor contract at the national level—in connection with which we requested that the well-known Article 11 be amended—or whether we are talking about the requests for additional allocations for budget sectors, or the vocational reconversion of the unemployed.

[Vintan] Do you not feel that Miron Mitrea's recent evolution and your collaboration with him of the last year also cast serious doubt on you as well? Can't one speculate that your desire to create a new confederation is just another red herring?

[Ciorbea] In connection with the suspicion of whether Mitrea's actions also cast doubt on my own activity, the only ones who can answer this are, on the one hand, the media and, on the other, the trade union members and public opinion in general. However, I feel that everything I did during this one-year period and the fact that I was constantly the opposition within the confederation—as well as the fact that I took public positions and took all the steps we were talking about—are all capable of dispelling the doubts you were talking about. As far as a red herring is concerned: of course, as long as we do not have precise answers to certain basic questions, such as what happened in December 1989 and after that, naturally we shall suffer from playing out scenarios. However, I feel that this step of separation, of establishing a separate confederation in opposition and alongside the opposition forces, is as useful and necessary as it is natural—and even inevitable, I would say. I am convinced that, in the end, it will reach, and will include, Romania's trade union movement.

This process of clarification was produced in all the Central and East European countries immediately following the changes in 1989. Except for Romania, we see two poles, two very well-defined political/trade union nuclei in all these countries.

[Vintan] Why has this process been delayed in Romania?

[Ciorbea] First, due to the dispersal of the trade union movement—at one point by the creation of 20 confederations, so that nobody knew what confederation he was

affiliated with. Second, the delay has been produced due to the well-known slogan on the political noninvolvement of the trade unions, aiming particularly at their neutrality, and at keeping equal distance. A quasi-total control by the government was hidden behind this appearance of neutrality—a control that, as I mentioned, the government party is trying to transform into complete control through this change.

[Vintan] Can't we make a connection between the chaos caused by Miron Mitrea now, in the trade union movement, and the new law on privatization that the government wants to apply without problems? Don't you think that all the recent maneuvering has been to deliberately

create an open path for this law? It is now impossible for the trade union movement to give a powerful rebuff to this law.

[Ciorbea] Some colleagues are greatly in favor of this law, particularly those who are part of the leadership of the PSS [Party of Social Solidarity]. I feel this program of privatization "en masse" is a new bluff to which the government and the PDSR [Social Democracy Party of Romania] are resorting. Undeniably, it is a populist step, by which they are trying to gain or remake images with a view to a future election. The program contradicts the provisions of the Constitution, since it seeks to amend the law on privatization retroactively. I am convinced that this step will fail, since its major premise is the idea launched by Mr Brucan several years ago: that the Romanian people are stupid.

Silajdzic Differs With Holbrooke on Peace Plan
AU0901141995 Paris AFP in English 1342 GMT 9 Jan 95

[FBIS Transcribed Text] Sarajevo, Jan 9 (AFP)—Bosnian Prime Minister Haris Silajdzic on Monday bluntly and publicly disagreed with a senior US diplomat on an international peace plan for Bosnia, insisting it was more than simply a basis for talks.

Assistant Secretary of State Richard Holbrooke, following a meeting here with Silajdzic and President Alija Izetbegovic, twice referred to the plan proposed by a five-nation Contact Group as "a starting point for negotiations" between the Bosnian Government and rebel Serbs.

"Let me phrase it exactly," Holbrooke told reporters. "The Contact Group's goal is to gain acceptance of the contact group plan as the starting point for negotiations. That is our position. There's no need for us to go any further."

That provoked the following response from Silajdzic: "That's your position, Mr. Holbrooke. But for Bosnia-Herzegovina it was take-it-or-leave-it. It's a bit, if I may say, unfair. We were asked to accept it with no conditions. Now it seems that the position has shifted when it comes to the aggressor representatives."

"We accepted under terms of take-it-or-leave-it. We took it, they left it."

Izetbegovic earlier had repeated his government's insistence that before peace talks can resume, "the Serb side must accept the plan." Unveiled last July by Britain, France, Germany, Russia and the United States, the proposal would allot the Bosnian Serbs 49 percent of Bosnia, down from the 70 percent they have seized in 33-months of war.

Serb authorities rejected the plan and the proposed land distribution, while the Moslem-led government, which would share 51 percent of the territory with Bosnian Croats, accepted it.

The broad outlines of the deal had initially been presented as non-negotiable. But at a meeting in Brussels in December the Contact Group—to the great annoyance of the Bosnian Government—decided that the land division "can be adjusted by mutual agreement between the parties."

A ceasefire agreement mediated late last month by former US President Jimmy Carter was likewise reported to have made no references to the Contact Group plan in order to ensure Serb backing. Holbrooke on Monday sought to dismiss the dispute with Bosnian authorities as a matter of semantics.

"I wouldn't worry too much about the phraseology," he said. "We are seeking the acceptance of the Contact Group plan as the starting point for negotiations. That is

the position that we agreed on ... that your government has agreed upon. There is no change in the Contact Group plan and we are fully committed to it."

Holbrooke was leaving here for Paris Monday where he will meet Tuesday with senior diplomats from the four other members of the group. Then on Wednesday, experts from the five nations will visit Sarajevo, Zagreb and Belgrade on a mission to promote the resumption of negotiations.

Civilian Aspects of Agreement

AU0901170695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 9 Jan 95

[Report by Nedžad Leko—recorded]

[FBIS Translated Text] [Leko] In addition to Richard Holbrooke, President Izetbegovic, Prime Minister Silajdzic, and Minister Muratovic today also received Pierre Michel Masali, the new head of the UN Protection Force Civilian Sector in Former Yugoslavia who has replaced Sergio de Mello. Here is what he said following the talks:

[Masali in English fading into Serbo-Croatian translation] I am particularly interested in helping the implementation of the civilian part of the recently signed cease-fire. I will do everything I can to facilitate the implementation of the agreement.

[Leko] Prime Minister Silajdzic commented on the talks with Mr. (Masali):

[Silajdzic] Today we discussed the civilian aspects of the agreement, (the signed cease-fire). I shall now expound on the priorities: first, Bihac. Namely, Bihac is, of course, a military issue. The military aspect pertains to stopping attacks on Bihac, while the civilian aspect involves helping the civilian population there. Two smallish convoys have so far entered the town, which does not mean anything. Not even the Red Cross can access the town. Therefore, in this respect the cease-fire is not being observed, that is, the agreement is not being observed. We have to help the population. Tens of thousands of people are lining up at soup kitchens in Bihac and other towns.

The second priority are the blue routes, the opening of the blue routes for Sarajevo. According to the agreement they should already have been opened, but as you can see they have not been opened. Therefore, the agreement is not being observed in this respect as well. Yesterday, General Rose promised that the blue routes would be opened very soon. Our side has complied with everything that the agreement binds us to do in this respect. Therefore, it is now up to the United Nations to deblock Sarajevo and to open the blue routes.

We also discussed the issue of natural gas and electricity. As far as this issue is concerned, we have done everything on our part to secure enough natural gas in Sarajevo, and not only in Sarajevo, but also in Kakanj and

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Zenica. I have been informed that there are technical problems with this outside of Bosnia-Herzegovina. It may be true. We, for our part, have done everything possible and it is now up to the United Nations to secure the quantities of natural gas required in Sarajevo, Zenica, Kakanj, and other towns that are supplied by natural gas. This is, more or less, what we discussed. We welcomed our guest and I am sure that cooperation between the government and his people will remain at the previous level.

Comments on Talks

AU0901170295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 9 Jan 95

[Report by Nedžad Leko on statements by Richard Holbrooke, deputy U.S. secretary of state; Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency; and Prime Minister Haris Silajdzic after talks in Sarajevo on 9 January; Holbrooke and Silajdzic speak in English fading into Serbo-Croatian translation—recorded]

[FBIS Translated Text] [Leko] Following today's talks Richard Holbrooke said:

[Holbrooke] I have just completed two days of meetings with the president and prime minister of the Bosnia-Herzegovina Government and I just wish to comment briefly on the meetings. I have primarily come here to reiterate the United States' support for the courageous people and Government of Bosnia-Herzegovina. I have done this in the name of the President, the secretary of state, and the Administration. Second, I have come to reiterate the great significance we attribute to the federation between the Bosniaks and the Croats. We are constantly looking for ways to support the federation. We have certain ideas that I cannot disclose at this time, but we are going to work on this in the coming weeks and months. Third, I have come to reiterate our resolve to insist that the Contact Group plan be accepted as the basis for resuming negotiations. I am leaving here for Paris where I will meet with senior diplomats from the British, French, German, and Russian ministries.

On Wednesday, the Contact Group will embark on a tour of the region and visit Sarajevo, Zagreb, and Belgrade. Their objective is to obtain acceptance for the Contact Group plan which would be the starting point for negotiations. We believe that this is of vital importance now that the cease-fire and cessation of hostilities agreements are in force. Finally, we are still dissatisfied that the cessation of hostilities is not entirely observed. Today I spent two hours discussing the issue with General Rose as it falls under the scope of his authority. Gen. Rose has achieved a lot of progress, but he is not completely satisfied.

[Leko] President Izetbegovic said on this occasion:

[Izetbegovic] I can confirm what Mr. Holbrooke said, but I would like to stress that we insisted that prior to

any negotiations regarding the Contact Group plan, the Serbian side must unequivocally accept the plan. Moreover, we discussed the problem of sanctions against Serbia. We reiterated our position that there can be no further suspension of sanctions for Serbia if two conditions are not met: One, that the Bosnian Serbs accept the plan, and two, that (?Serbia) recognizes Bosnia-Herzegovina.

[Leko] Asked by reporters whether the Contact Group plan would be altered, Richard Holbrooke said:

[Holbrooke] The Contact Group's goal is to see that the Contact Group plan is accepted as the starting point for negotiations. That is our position. It is of vital importance that the plan is accepted, and there is no change in the plan.

[Leko] Prime Minister Silajdzic added:

[Silajdzic] When we were asked to accept the plan it was on take it or leave it terms. However, it now seems that the position has shifted somewhat when the aggressor representatives are being asked to come up with an answer. We have accepted the plan, they have not.

[Leko] Here is what Richard Holbrooke said to this:

[Holbrooke] I think that we agree, you and I agree, and I would not worry too much over the terminology. We are asking that the Contact Group plan be accepted which would constitute the starting point for negotiations. That is the position we agreed upon with your government, the Contact Group agreed to this, so there are no changes in the plan.

[Leko] Reporters also asked whether the use of NATO was still topical.

[Holbrooke] The potential use of NATO for securing the implementation of UN resolutions is still topical and Gen. Rose this morning confirmed this. Thank you.

Serb Leaders Discuss Peace With UN Officials

LD0901203295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1937 GMT 9 Jan 95

[FBIS Translated Text] Sarajevo, 9 Jan (TANJUG)—Dr. Radovan Karadzic and Professor Nikola Koljevic, president and vice president of the Srpska republic, had talks in Pale today with Viktor Andreyev, coordinator for civilian affairs of the UN Protection Force for the former Bosnia-Herzegovina, and Pierre Michelle Musali, head of the civilian sector of the UN peacekeeping forces for the former Yugoslavia, on the scope for resolving the crisis in the former Bosnia-Herzegovina, SRNA reports this evening.

The Srpska republic press office announced that the president and vice president expressed readiness for the signed agreement on the cessation of hostilities "to be realized in full and in the shortest possible time in order

to create the necessary preconditions for confining the peace process and finding a just and complete resolution of the war."

It was concluded that there is "a very great opportunity for stopping the war and resolving the conflict by peaceful means if the conflicting sides are treated equally and responsibly and fulfill all their obligations on time," the statement says.

Karadzic: 4-Month Truce for Economic Emancipation

LD1001081895 Belgrade TANJUG in English 0221 GMT 10 Jan 95

[FBIS Transcribed Text] Sarajevo, Jan. 9 (TANJUG)—Bosnian Serb President Radovan Karadzic was quoted Monday as saying that the Bosnian Serb republic would use the current four-month truce for economic emancipation.

Karadzic was speaking in the Bosnian Serb administrative center of Pale, at a reception given on the occasion of Republic Day, which is the feast day of St. Stephen, the patron saint of the Bosnian Serb republic, said the Bosnian Serb News Agency SRNA.

Karadzic announced new Bosnian Serb initiatives for the unification of the serb states. The most that can be wished for is for all Serbs to come together, regardless of political, regional and other characteristics, Karadzic is quoted as saying.

Karadzic said he believed that the four-month cessation of hostilities was long enough to find a solution for lasting peace. He said that the truce could be maintained despite Muslim obstructions, since the international community was obviously interested in establishing lasting peace to Bosnia-Herzegovina.

Karadzic said the Bosnian Serb enemies must finally realize that having Serbs for friends was much better than having them for enemies. Bosnian Serbs proclaimed their republic on Jan. 9, 1992, after their representatives had walked out of the Bosnian parliament over the decision of the Croats and Muslims to declare independence from the former Yugoslavia.

Bosnian civil war erupted in early April 1992. Representatives of the International Committee of the Red Cross, the U.N. High Commissioner for Refugees and the Medecins Sans Frontieres attended the reception. Karadzic thanked the representatives of the humanitarian organizations for all their help. He said he hoped that their wishes and expectations would soon be granted for the end of the civil war, which he said was a war among three new states which had emerged in the former Bosnia-Herzegovina.

The reception was attended also by representatives of major parliamentary parties from Serbia and Montenegro, which together form Yugoslavia.

Divjak: Karadzic Preparing

AU1001092095 Budapest MAGYAR HIRLAP in Hungarian 7 Jan 95 p 3

[Interview with General Jovan Divjak, ethnic Serbian deputy commander of the Army of Bosnia-Herzegovina, by Janos Kobanyai in Sarajevo; date not given: "Everyone Became Tired of the Fighting in Bosnia"]

[FBIS Translated Text] [Kobanyai] Compared with the situation when we last met, there is peace here now.

[Divjak] Things are quieter now. According to the Western press, we suffered a total defeat in the fighting near Bihac. This is a mistake, or only partially true. Because the UN troops did nothing to defend the security of the roads leading into Bihac from the attacks by Karadzic, Martic, and Abdic. Our 5th Corps opened a corridor leading to the town of Bihac, which had not received food and medicine for 10 months. We gained quite a lot of territory during our October offensive. The fighting reached Bihac, Velika Kladusa, Bosanska Krupa, and Cazin at this time, with considerable Serbian and Russian help. Some 40 tanks, 100 trucks fully loaded with ammunition, and 10,000 soldiers were deployed from Vojvodina, Serbia, and Montenegro. We had to give up about 60 percent of this territory. However, the plateau and half of Velika Kladusa have remained under our control. These are strategically important positions because, at the beginning of 1993, the Serbs began the construction of a railroad linking Serbia with the Krajina Serbs on the line Bijeljina-Brcko-Banja Luka-Bihac-Knin. Our 1st Corps controls 40 km of this line and thus we are hindering the direct shipment of supplies. Our 5th Corps continues to control the banks of the Una River thereby avoiding the enclosing of the Muslim population in this region into an enclave. In the military maneuvers, Croatia, or the Tudjman leadership, conducted a Janus-faced policy. We asked for support because, at least on paper, we are allies in a federation. However, claiming that this would lead to an escalation of the fighting, they denied this help. Now they have recanted and offered their help, but it would have been easier to stabilize the Bihac enclave when it was in our hands. It would cost much more energy and blood to retake it.

Sarajevo's situation is similarly difficult. It is true that fewer shells are falling on the city. However, shots were being fired until the end of the year, and the snipers were also continuously carrying out their butchery. Humanitarian aid was getting into the city only with great difficulty, and many shipments never made it to their destination. And something less spectacular: The population tired of the war.

Signs of fatigue can also be discerned on the Serbian side: They have lost at least 50,000 soldiers and have had about 60,000 wounded. There are a lot of civilian victims as well. Some 60,000 people fled from the territory controlled by Karadzic, first of all in order to

avoid conscription. Naturally, their plans also failed to materialize and thus their morale is disintegrating. Their economic situation is very bad, because the "Bosnian Srpska republic" controls the industrially underdeveloped areas of the former Bosnia and they have hardly more than three or four operating factories, while the factories in our area, in central Bosnia, are producing continuously and are increasingly being connected to the energy supply as well.

The balance is rather sad on our side too: We have lost 50,000 soldiers, and we have a similar number of wounded. Some 100,000 civilians have lost their lives. The saddest statistic is that 6,708 children have died so far, including 3,064 in Sarajevo alone.

[Kobanyai] What is your opinion of the four-month cease-fire of so much hope in Europe?

[Divjak] I have mixed feelings. The EU, the United Nations, NATO, and the whole world are trying to equate the victims and the aggressors. This is also a sad development of the past year. The world is inclined to accept the territorial gains of the aggressor, gains achieved through huge technical advantages and foreign support. Perhaps these four months will lead the events toward a political development. Obviously, this could be an important step toward peace, but peace is still far away. I have heard that Karadzic does not intend to take the peace plan seriously at all. He is demanding more territory than he controls, and more territory than he would have been satisfied with in 1989. In the meantime, he is preparing for new attacks. He has lost a lot of blood and equipment in the fighting for Bihac. He would like to reach the sea at Neum, a 28-km strip between Dubrovnik and Ploce.

[Kobanyai] In other words, you are not very optimistic regarding the chances of peace in 1995.

[Divjak] You know the joke: What is a pessimist? An optimist with experience.

Ganic Warns Krajina Serbs To Leave Bihac

AU0901151295 Paris AFP in English 1424 GMT 9 Jan 95

[FBIS Transcribed Text] Zagreb, Jan 9 (AFP)—The Bosnian Government will call for action by the UN Security Council if Croatian Serb forces persist in their refusal to leave the Bihac pocket in northwest Bosnia, Bosnian Vice President Ejup Ganic said here Monday.

Ganic told journalists here after a meeting with UN special envoy to former Yugoslavia, Yasushi Akashi, that "the continued presence of Krajina (Croatian) Serbs in the Bihac pocket is a very serious problem that could threaten the (truce) accord" recently signed by the Bosnian Government and Bosnian Serbs. Ganic said he also expressed concern to Akashi over the fact that "the roads around Sarajevo are still closed, in contravention of the cessation of hostilities accord."

The four-month accord, which came into effect on January 1, provides for the withdrawal from Bosnia of all outside forces and the lifting of the Bosnian Serb blockade of the capital. Ganic, who made a stopover in Zagreb while returning to Sarajevo from Iran, also held talks here with Croatian President Franjo Tudjman on the future of the fragile Croat-Moslem Federation in Bosnia.

5th Corps: Quiet Day in Bihac

AU0901151595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 9 Jan 95

[Report by Muhamed Mulic from Bihac]

[FBIS Translated Text] Today has been generally quiet in the theater of operations of the 5th Corps of the Bosnia-Herzegovina Army, except in the region around Velika Kladusa. On that front, Martić's chetniks, together with Fikret Abdić's Falangists, have been attacking the defense lines of the 5th Corps fighters every day—using artillery and tanks extravagantly—despite the attempts by the UN Protection Force aimed at halting the hostilities. All these attacks have generally been launched from the territory of the so-called Serb Autonomous Province of Krajina in the UN Protected Areas, where a huge concentration of Martić's chetniks has been registered, alongside with reinforcements in military hardware. Many villages have been destroyed in the indiscriminate artillery attacks by the united aggressors, and civilian casualties, including children, are reported every day.

It has, however, been quieter on the other fronts, apart from an occasional provocative sniper shot and a few mortars fired at the positions of the Bosnia-Herzegovina Army fighters.

More intensive violations of the cease-fire have been recorded around Bosanska Krupa and Bosanska Otoka, where the enemy has been opening fire at the free territory of the Bosanska Krupa commune from the well-known chetnik strongholds in Kolajevac and (Starzbenica).

It has also been much quieter in the theater of operations of the Croatian Defense Council for the Bihac region. The aggressor's provocative sniper and small arms fire has been registered around Zegar and Vedro Polje.

Bihac 'Starving'

AU0901205895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 9 Jan 95

[Interview with Mirsad Veladžić, plenipotentiary in the Government of the Republic and Federation of Bosnia-Herzegovina for the region of Bihac, by Muhamed Mulic; place and date not given—recorded]

[FBIS Translated Text] [Mulic] A lot has happened in the past few months and at the beginning of this year in

this specific area of Bosnia-Herzegovina that has been encircled by the aggressor for almost three years. Mr. Veladzic, how would you assess the present situation in this part of our country?

[Veladzic] The citizens of the Bihac District are currently going through a very difficult time. The harsh winter, problems with firewood, food; no humanitarian aid is reaching the Bihac District although this latest cease-fire agreement promised aid. However, the international community has done nothing and the people in the Bihac District are literally starving. As we can see, the cease-fire is more or less holding in other parts of Bosnia-Herzegovina, however, this does not hold true here. We hope that the international community will finally recognize the objectives of the Serbo-chetnik aggressor, what he wishes to accomplish in the Bihac District. The Bosnia-Herzegovina Army troops are carefully monitoring the situation. Every day they are fighting decisive battles for this part of Bosnia-Herzegovina and we hope, God willing, that we shall succeed. However, we expect the international community and our Government and Presidency to do more, to finally do something more concrete to save the Bihac District from the Serbo-chetnik onslaught. This has been going on for so long that we simply do not have any alternative but to fight. However, as I have already said, the Bihac District is starving and we hope that at least the problem of food will be solved.

[Mulic] The greatest problem at the moment are the frequent cease-fire violations reported around Velika Kladusa?

[Veladzic] The Serbo-chetnik aggressor has now intentionally introduced the forces of the so-called autonomous province of western Bosnia who are mostly in the front ranks, while the chetnik forces follow them and attempt to capture as much territory as possible in the Velika Kladusa area in order to blackmail the 5th Corps and this part of the district, and in order to unobtrusively bring Fikret Abdic to the negotiating table, which we here cannot and will not allow. Therefore, we are going to fight and we are going to defend this part of Bosnia-Herzegovina, even if all of Serbia comes to the front. We would like to convey to the other corps that if this situation continues for long, we want them to join in the armed struggle for the Republic of Bosnia-Herzegovina, because it is clear that the Serbo-chetnik aggressor does not want peace, they are only trying to consolidate their ranks following massive losses on fronts, and to once again launch a decisive battle for their fascist goals. We here are waging a decisive battle and I believe that others will also adopt this concept if the international community does not manage to do something relevant for this part of Bosnia-Herzegovina.

[Mulic] In addition to the grave humanitarian situation in the Bihac District, the population's health has lately rapidly deteriorated.

[Veladzic] A great problem in the Bihac District is the supply of drinking water. For some time now, since the

forces of the so-called Serbian Autonomous Province of Krajina have taken a part of our territory through which vital water pipelines run, we are unable to supply the population with water of satisfactory quality. That is why we have lately been having great problems and the health situation has rapidly deteriorated. We hope that soon—either willingly or by force—the chetniks will have to relinquish the vital installations for supplying the town with water.

EU Administrator Discusses Mostar's Problems

AU0801154395 Prague LIDOVE NOVINY in Czech
4 Jan 95 p 7

[Interview with Hans Koschnick, European Union administrator in Mostar, by Jana Blazkova in Mostar; date not given: "Mostar Is Divided by Barricades and People's Minds"]

[FBIS Translated Text] *The Bosnian Croats and Muslims have been officially observing a cease-fire since last March. Mostar, where the fighting between Muslims and Croats actually started, has been administered by the European Union [EU] since June. The eastern, Muslim-populated part of the city, and the western part, in which the Croats reside, are separated by border crossings and the Neretva River. Hans Koschnick, the EU administrator of Mostar, ventured upon a formidable task in June—to reunite the city. In this context, he gave an interview to LIDOVE NOVINY.*

[Blazkova] Six months ago you started demilitarizing this area. Have you fulfilled this task?

[Koschnick] The front line that, until the proclamation of the cease-fire, had been the scene of fighting between Bosnian Serbs and Muslims runs 10 km from Mostar. From time to time, the Serbs used to launch grenades on the city itself from their positions. The last such incident occurred here one month ago when a bomb killed four children. Naturally, it is difficult to rid the city of weapons in such a situation because the people want to be able to defend themselves. It is possible to say, however, that, when an armed man in uniform appears in the center of Mostar today, it is usually a local policeman.

[Blazkova] What is the balance sheet of your stay in Mostar so far?

[Koschnick] On 12 September, we completed the construction of the so-called Tito bridge, which again connects the two banks of the Neretva River and, hence, both parts of the city. In January, we will start construction of the next bridge. While the first bridge was built by UNPROFOR [UN Protection Force] soldiers, the order to build the second bridge went to companies in Split and Ljubljana. In this way we try to support the recovery of the local economy and to somewhat reduce the high level of unemployment. The whole project will be financed by the EU and its member countries. When we came here, the whole of eastern Mostar was without

water. The repair of the water supply system will be completed in January and instruction in schools will begin again in March. We are trying to negotiate a deal whereby children from almost completely destroyed eastern Mostar will be allowed to cross the border between the two parts of the city and go to school in the Croat part. The negotiations have not been successful yet. We will open a new hospital and the local aluminum factory in the foreseeable future.

[Blazkova] What are the city's biggest problems, in your opinion?

[Koschnick] It would be necessary to establish a single Muslim-Croat police force for both parts of the city. This would not only bring people closer, but the high postwar crime rate would be greatly reduced. People crossing the border to the other part of the city would feel much safer. Two Muslim women were killed in western Mostar recently, but no one is investigating those murders. This could not happen if we had a single police force. We would also like to bring about an agreement between the two town halls, or governments, on the free movement of people throughout the entire city. This is still only a dream. Only 250 of the city's 130,000 inhabitants have a pass for crossing the border.

The confiscation of apartments is another urgent problem. Even though evictions have been banned ever since the city came under EU administration, some people continue to practice them illegally. Croats are evicting Muslims from apartments, and vice versa. Again, the police take no interest in those cases, which could be termed ethnic cleansing. Negotiations with both sides are difficult. Barricades and people's minds are our biggest problems here. I am Europe's spokesman in Mostar. It is up to the local governments to come to an agreement.

[Blazkova] How much money has the EU invested in Mostar, and what is your budget for 1995?

[Koschnick] In 1994, we spent more than ECU20 million. Our budget for 1995 is much higher, about ECU80 million. Half of this sum has been promised to us by the European Commission in Brussels and the other half will be financed by EU member states.

[Blazkova] Can you invest the money in the city according to your own discretion?

[Koschnick] Essentially, I can. Each of my proposals is subject to approval procedures in the European Parliament, the EU Commission, and the Council of Ministers, but they mostly agree with what I propose. I usually receive their reply within a fortnight and can use the money immediately.

[Blazkova] According to which formula do you divide the money between the two parts of the city?

[Koschnick] The budget cannot be divided evenly between the Muslims and Croats. We are trying to invest

the money according to need, with a view to renewing the infrastructure in both parts of Mostar as quickly as possible. The railway station and the bus terminal, for example, were both in the eastern part and the water supply network and a great part of the city's industry were in the west. We are renewing all of them at the original sites, but both sides must promise that all residents of the city will be able to use the newly built facilities to the same degree. When negotiating with the local governments, I do not engage in discussions on who is guilty. The locals will not forget the civil war for generations to come. I am trying to reach agreement with the local administration on what can be done for the victims of fighting and the civilian population.

[Blazkova] Do you want to establish neutral zones in Mostar?

[Koschnick] Neutral zones are no solution, in my opinion. I would like to achieve freedom of movement in the entire city for everyone. However, this apparently will not come off.

[Blazkova] Do you think that the EU project, which envisages the reunification of Mostar, has a chance of success?

[Koschnick] The whole project is perhaps nonsense, but perhaps it will be successful. At this moment, it is impossible to guess. What is obvious is that, for at least one generation, the population will live separately. However, this is not a reason for them not to use common shops, hospitals, and, possibly, even schools. The unification of the city itself is not in the hands of the present inhabitants, but in the hands of their children.

Interview With Croat Leader Kresimir Zubak

LD0901142795 Zagreb HTV Television in
Serbo-Croatian 2155 GMT 8 Jan 95

[Studio interview with Kresimir Zubak, president of the Bosnia-Herzegovina Federation, by Tihomir Ladisic—live]

[FBIS Translated Excerpt] [Ladisic] Our guest this evening is Kresimir Zubak, president of the Bosnia-Herzegovina Federation. You have been saying over the past couple of days—as well as in Zagreb today—that the war in Bosnia-Herzegovina is not yet over. We have witnessed all the cease-fires and all the unsuccessful political negotiations so far. What will have the final say—military might on the battlefield or some kind of political settlement, if this is at all possible?

[Zubak] A political settlement will have to be the decisive factor and it is certain that this crisis in Bosnia-Herzegovina will have to end with a political settlement. However, we believe that the time is not yet ripe, a peace acceptable to all sides in Bosnia-Herzegovina is not yet on the horizon and that is why I think that this cease-fire which we signed will last for a relatively short time; one or more sides in the Bosnia-Herzegovina conflict will

sooner or later try to impose a military solution that will be acceptable to all, including the international community. [sentence as heard].

[Ladislav] You said that a just peace is still far away. What exactly is a just peace? What would a political settlement mean for the Bosnia-Herzegovina Federation and the Croats in Bosnia-Herzegovina?

[Zubak] When accepting the Contact Group's peace plan we said that this plan essentially satisfies the interests of the Croat people in Bosnia-Herzegovina, although in all its details it is not exactly just, because, in a way, it legalizes what the aggressor has achieved in Bosnia-Herzegovina so far, that is, ethnic cleansing. The peace, that is, the resolution of the crisis envisioned by the contact group's plan is not entirely just but in our opinion it is satisfactory and we, Bosnia-Herzegovina Croats, believe that we can realize our rights and interests through it.

[Ladislav] This plan is still on the table, although it seems that the international community is already speculating about concessions to the Serbs. What would this mean for the position of the Bosnia-Herzegovina Federation?

[Zubak] I can say that, as I am representing the interests of the Croat people in Bosnia-Herzegovina, that we still believe that what the contact group proposed is a basis for negotiations and could, to a certain extent and in certain parts, even be modified. However, I believe that the basic concept should not be altered and we could not accept this. To my knowledge, where the Bosniak-Muslim people are concerned, I think that they too will remain in such a position and insist that the Contact Group's plan should be taken as the basis for the conclusion of the final peace agreement.

[Ladislav] Speaking today about the four-month cease-fire you said that the HVO [Croat Defense Council] will not be carrying out any offensive operations and that it will abide by the cease-fire to the extent the others do. What has caught the eye recently are frequent Serb attacks on HVO positions. Why is this?

[Zubak] Well, I think that it would have been unrealistic to expect that the mere act of signing the cease-fire agreement and cessation of hostilities would bring an end to all combat operations, because we know that the belligerent sides in this conflict do not have total control over their military units, so such incidents have been known to take place on a lower level. It is our opinion that this is such a situation and that such situations will be recurring in future but on a lesser scale and that these incidents coming from the side controlled by the Serbs will cease when the old-calendar [Julian] Christmas and New Year's holidays are over.

Therefore, we will respect the cease-fire as much as the other warring sides. However, if they violate it we will have to respond adequately. We have already told the

international community that we will accept all cease-fires and respect them but that, in the meantime, we also expect serious negotiations and talks on the final resolution of the crisis in Bosnia-Herzegovina to begin. If this does not take place, we said openly—that is, I told General Rose that 1 May (1995) is the key date for us and if a peace plan is not signed by then or there are no indications that it is possible to reach a solution, we will have a legitimate right to launch an offensive to liberate the Croat areas and not only those areas but also the territory of the federation.

[Ladislav] What is happening with the military and political relations within the [Muslim-Croat] Federation?

[Zubak] Well, I already told reporters today that, in a certain sense, we are in a stalemate. Initiatives regarding the next stages of implementing the federal constitution have ceased because we cannot reach an overall agreement on certain issues. The process itself still exists. There is willingness and readiness on our side and on that of the Bosniak-Muslim representatives, as well, to implement the federation in all its segments, including the military segment and others. Regarding the military segment, we have proposed to keep the two military structures—the HVO and the Bosnian Army—in the transitional period, to increase the authorities of the joint headquarters which would be subordinated to the president and the vice president of the federation. However, representatives of the Bosniak-Muslim nation do not find this solution adequate and they support a solution in which the HVO would be incorporated in the existing structures of the Bosnia-Herzegovina Army which we cannot accept for well-known reasons.

[Ladislav] That is one of the obvious problems, the joint military headquarters, despite the fact that [Muslim-Croat] military cooperation in recent clashes around Kupres demonstrated that this joint waging of war could help to firm the links between Croats and Bosniak Muslims. Why are we waiting for a step forward?

[Zubak] Well, if our concept is accepted then we would have a situation in which the Bosnia-Herzegovina presidency, currently headed by Mr. Izetbegovic, would not have the commanding position regarding the Bosnia-Herzegovina Army and we feel that this is the key reason for the Muslims, the reason why they are not accepting our concept. However, despite the fact that we do not share the same standpoint regarding the organization of our armed forces in the transitional period, I think that by doing what we did in the Kupres area we demonstrated that we can carry out joint coordinated military operations. Maybe at this stage we should not insist on more than we achieved in Kupres. Therefore, if this cease-fire is not respected and if a peaceful resolution is not reached, our future operations could be coordinated in cooperation with the Bosnia-Herzegovina Army in the manner mentioned earlier.

[Ladislav] Let us turn our attention now to the issue of territorial organization which, it seems, also presented

some problems. Where, or in which part of Bosnia-Herzegovina, can you say you are satisfied with the cantonal organization, with power sharing? And on the other hand, where and why, would you say, most problems can be found?

[Zubak] Well, you see, for the time being the only existing canton is in the area of Tuzla. The Croats living in the area were also part of the process of setting up the canton. There are many both subjective and objective reasons why no other cantons have been set up elsewhere. As for the areas under HVO control, we shall very soon set up a grand county [vele zupa] in the area of Posavina in line with the federal constitution. I also think that we shall shortly also set up a canton in western Herzegovina. [passage omitted]

[Ladiscic] Are there serious political talks going on at this time between the Croats and the Bosniak Muslims to resolve the issues of territorial organization and the implementation of the Washington agreements, in general?

[Zubak] When it comes to implementation of the federal constitution—or rather, of the agreements, of all the agreements we have signed, political agreements, it is obvious that there are differences in the interpretation of both the federal constitution and its implementation. Our attitude is that the implementation should reflect what was agreed in Washington, this means that there must be an absolute and full equality of the two political partners, of the two peoples. However, it is our impression that the view prevalent among the leaders of the Bosniak Muslim people in Bosnia-Herzegovina is that the federation is only a transitional stage in changing both the territorial and legal and political structure of the Republic of Bosnia-Herzegovina, and this is something we cannot accept. And I think that this is the fundamental reason behind the conflict between our two peoples or rather that there exists a differing view between our two peoples of what the political system in Bosnia-Herzegovina should be once the war is over. In no way can we accept a system in Bosnia-Herzegovina as it was before the war; it is a unitary system organized on the basis of majority voting. This means that in the bodies of power where this principle would be applied the Croat people would be forced to accept the will of others and would be outvoted. We think that the only solution is the one we agreed on in Washington. This means that the two peoples are equal and that there will be instruments and mechanisms in the bodies of authority to prevent outvoting and domination.

Well, these are the reasons behind the problems in implementing the federal constitution, but despite all of this I remain optimistic that the leadership of the Bosniak Muslim people will soon realize that only what we jointly agreed on is possible to implement and that only on that basis can Bosnia-Herzegovina survive. [passage omitted]

[Ladiscic] We recently interviewed Bosnia-Herzegovina Prime Minister Haris Siljadzic. He said something like

this: The will for implementation of the agreement exists but there is a serious political problem in connection with some of the Croats in Bosnia-Herzegovina who do not accept the agreement. Is there a plan for a meeting with the leadership of Bosnia-Herzegovina, that is, Bosniak Muslims, a meeting between Alija Izetbegovic, Mr. Ganic, Mr. Silajdzic, and yourself, Mr. Prlic and so on? Are such talks taking place or is there a breakdown in communication?

[Zubak] I still have to answer your previous question. The last [Muslim-Croat] meeting we had was in Zenica. [passage omitted] What is important for us Croats is to place certain issues on the agenda of the constituent assembly: the criteria regarding the setting up of new municipalities and reorganizing the existing ones, demarcation of cantonal borders, etc. The other [Muslim] side is trying to block this. Let me also say that mutual recrimination does not lead to a solution. However, we Croats are facing concrete problems and this is how we assess the other side's attitude toward implementation of the federal constitution. You are aware of the fact, as I said on several occasions today, that we have problems when we want to place certain issues on the government's agenda, that we have problems in placing issues on the agenda of the constituent assembly, that we have problems regarding implementation of the agreements on Croat participation in diplomatic-consular missions. This is a way to prove one's orientation toward implementation of the federal constitution. I can also mention concrete examples in certain areas.

The public is aware of the Croat-Bosniak Muslim cooperation that existed in Usora and Brcko areas, that no clashes were registered between them even at the time when the fiercest [Muslim-Croat] fighting was taking place in central Bosnia and parts of Herzegovina. Their relations served as an example to us that Croats and Bosniak Muslims could live together and organize their mutual relations. However, when the [Muslim-Croat] fighting ended, Muslim controlled municipal authorities in the Tesanj area, that is, the Usora area, were reorganized and new people were brought in. Incidents were registered and the situation is becoming more difficult for the [Croat] people living there, that is, they are being prevented from realizing their rights granted by the [Washington] agreement.

One of the rights, granted by the Washington agreement and the federal constitution and also by the constitution of the Republic of Bosnia-Herzegovina, is the right of people living in a certain area to express their will and organize their own municipality. There is no reason to prevent us from doing this now. There are concrete examples which prove who supports the implementation of the [federal] constitution and who does not. On the other hand, we have some good results. The fighting has ended, there is less pressure for people to leave their homes, the flow of goods and people is much better, the humanitarian situation has improved considerably.

[Ladislav] You saw President Tudjman today. Can we expect the Croatian president's mediation with the president of the Bosnia-Herzegovina Presidency? Could this be a step forward?

[Zubak] This is common practice, you see. Today, at the end of the old year and the beginning of the new year, we were here in a broader composition to inform the state leadership about the situation in Bosnia-Herzegovina, in areas under HVO control. We came to exchange information, to decide on further moves, for—we are not trying to conceal this fact—we are pursuing a coordinated policy; we Bosnia-Herzegovina Croats believe that only a single national Croat policy could be the means for realizing our interests both in the Republic of Croatia and in Bosnia-Herzegovina. In other words, there are no autonomous policies, etc. This was the reason for today's visit.

In addition to this we informed the president about the problems we have in implementing the federation, and we pointed out that the accusations that we were to blame for nonimplementation of the federation do not hold water; we are in favor of a consistent and principled implementation of the federation and we will not be swayed, despite the fact that the impression is sometimes created—even in the eyes of the Croatian public—that it is we who are blocking the process of implementing the federation. There are people—we do not hide this—there are Croats in Bosnia-Herzegovina, even occupying important political and other posts, who believe that this solution is not optimal for the Croat people, but this cannot influence our official policy and our approach to the federation. We signed and accepted this agreement and we are ready to implement it. We do not want to make compromises that would make us swerve from what we accepted. We want to implement this in a principled way and nothing more.

[Ladislav] You seem to have made a case in point at today's news conference when you said that Bosniaks, whenever they are in Zagreb—Mr. Ganic, Mr. Silajdzic—always have free access to the Croatian media, which is good, but that on the other hand Croats in Bosnia-Herzegovina do not have access to the media in Sarajevo and the part of Bosnia-Herzegovina which is under the control of the Bosnia-Herzegovina Army. What is the reason for this? And why are the leaders of the Croat people not more present in Sarajevo, where all those cameras are concentrated and where the attention of the world media is focused?

[Zubak] What I was saying today can be proven entirely. Our access to the media in Sarajevo has not been cut off completely. We received some coverage there although on a much smaller scale than what the representatives of the Bosniak-Muslim people visiting Zagreb are entitled to. Apart from Herceg-Bosna Croat radio [Mostar] and several local and not so local papers—the HRVATSKI LIST—we have no other media through which we can ensure that the opinions of our political partners—the

representatives of the Bosniak-Muslim people—can be heard. Therefore, all the media are located in Sarajevo—papers, radio, television; very rarely do we have access to these media. Representatives of the Croat people, even officials of the federation very rarely have access to these media. Hence the impression—among the Muslim people and even here in Croatia—that it is we who are blocking the process of implementing the federation, which—I repeat—is not true. We shall try to breach this media blockade by initiating the founding of a television of our own in Bosnia-Herzegovina and we believe that in this way we will make sure that Croat television is received throughout Bosnia-Herzegovina, that those representing the Croat people are heard by both Muslims and Croats. And I believe that in this way everyone will be able to see for themselves who is really in favor of the federation and who is interpreting it in a way it should not be interpreted.

[Ladislav] Are you satisfied with the current media coverage of Herceg-Bosna? Do reports from Herceg-Bosna really reach Sarajevo, and vice-versa?

[Zubak] Few reports from Herceg-Bosna reach Sarajevo. I am not saying that nothing we send is being published there. Our reports are mainly being published by a new Croat paper, recently started in Sarajevo. The (Muslim-controlled) Sarajevo press, such as OSLOBODJENJE, VECERNJE NOVINE, and so on, carry few reports in connection with the Croat republic of Herceg-Bosna. I can give you a recent example regarding the military operations in Kupres and Livno. According to the information at my disposal and it is true, those [Croat] victories hardly caused a stir in the Sarajevo media. They were minimized and the Sarajevo and Bosnia-Herzegovina public was not told about our military success. We liberated more than 800 square km. While even the small achievements of the Bosnia-Herzegovina Army are described as glorious victories. This shows that events in the territory controlled by the HVO do not have equal access to the Sarajevo media.

[Ladislav] What about the presence of Croat politicians in Sarajevo?

[Zubak] It is true that our number is small. I have to say that there are a number of objective difficulties just to get there and it is particularly difficult to leave. We [Croat officials, simultaneously members of Herceg-Bosna and federal bodies] perform our duties both in Sarajevo and in the Croat republic of Herceg-Bosna, and that is the reason why even when we go to Sarajevo we stay only for a short period. The fact that there is no progress regarding implementation of the federal constitution means that there is nothing for our officials to do when they go there. For example, what is Mr. Prlic supposed to do as defense minister [of the Muslim-Croat Federation] if we cannot agree on the organization of a joint army. [passage omitted]

[Ladislav] Over the past few days there has been talk of the departure and arrival of new leaders to fill posts in

the federation, the government, and the post of president of the Federation of Bosnia-Herzegovina. There was that debate about this in connection with the events in Zenica [refers to the allocation of government posts] but the matter was not resolved. Do you have any information about which there is gossip in the press, namely that Haris Silajdzic is on his way out as prime minister of Bosnia-Herzegovina, and that his place could be taken by Mr. [Jadranko] Prlic? And what is the state of play with the top post of president of the Bosnia-Herzegovina Federation? Can you confirm any of these reports or deny them?

[Zubak] I would first like to say that right at the beginning of the talks I had, and after the interparty talks—I was not always present at these talks—it was agreed that we would not influence whom the Muslims might specify as their representatives in the organs of authority; and at the same time they can have no say in who the representatives of the Croat people will be. This is our principle and it has been accepted.

It is very difficult for me to say now what is happening in the political leadership of the Muslim-Bosniak people but we have information—this is not a recent thing but has been going on for a while now—these, I do not know how to put this correctly, but we hear that there are certain disagreements among the leaders of the Bosniak-Muslim people but we do not know the real reason for this. But it is certain that this is not a different approach to the Federation. It certainly is not this. We do not know what the real causes are but we have information that there is a desire to change the prime minister and the idea has even been circulated that we were there arguing that the government has failed to accomplish what was expected of it and that this should be the reason [for replacing the prime minister]. However, I believe that this is not the real reason but that it is something else. What else would be speculation and I would not like to talk about this.

As regards the post of president of the federation, I can repeat what I have said many times, and what the position is in legal-political terms. In legal terms, I was elected president of the federation. This was the decision of the constituent assembly and it was announced in the official documents of the federation. So I was elected president of the federation for an interim period. It was not laid down how long this period would be.

On the other hand, in Vienna we agreed that there should be rotation of the post of president of the federation every six months. However, one should also know that in the preamble to the federal constitution it says that from the date of the adoption of the federation's constitution, within a six-month period, elections must be held for regular government posts in the federation. This six-month period was considered to be an interim period at the time. You know that this deadline has expired, passed. As president of the federation I even launched an

initiative to change the constitution in this regard and the constituent assembly accepted this. So that is the legal position.

The decision to change or replace or appoint or reappoint the president of the federation can only be done in a way.... [pauses] as prescribed by the federation's constitution and this means by a two-thirds majority including a majority of representatives of the Croat and Bosniak Muslim peoples. So this is not a technical question. It is a legal and political matter.

On the other hand we have interpreted the federation's constitution and all the agreements we (?have reached) in terms of the need to insure the absolute equality of both peoples. We believe that it is not in the spirit of what was agreed when at the same time representatives of the Muslim people are appointed to all the leading posts both in the federation and here, you know, in the Republic of Bosnia-Herzegovina.

I do not want to assert anything here but if we Croats were in a position to organize things so that all the leading posts were taken by Croats, I myself would launch an initiative to the effect that people from the Muslim nation are also represented. No such thing is being considered by the leadership of the Muslim people. We have been sidelined.

We believe that in this interim period—and especially when important decisions are to be made which will have a major impact on the status and position of the people—we cannot allow there to be no Croat official in any of these leading posts or there to be no Croats present in international or bilateral talks. We shall insist on this. We believe we are right in legal, political, and moral terms.

[Ladislav] Mr. Zubak, thank you.

[Zubak] Thank you.

East Mostar on Statements

AU0901191795 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1400 GMT 9 Jan 95

[Report by Zlata Behran from Mostar]

[FBIS Translated Excerpt] At today's meeting at the EU [European Union] Administration building, Rusmir Sisic, president of the Mostar authorities, conveyed the reactions of citizens from the eastern part of Mostar to Bosnia-Herzegovina Federation President Kresimir Zubak's statements made at a press conference in Zagreb.

He said that the Mostar citizens fail to see an improvement in relations between Croats and Muslims if the federation president speaks against the agreement reached between representatives of the two peoples. It is questionable how the federation project is to be implemented if its president makes statements against it. Moreover, where did Mr. Zubak get the information that

the Bosniak Muslims do not want the federation? The president of the Mostar city authorities at the meeting conveyed this to the EU Administration representatives and Miso Brajkovic, president of the municipal council, who also attended the talks held recently in Zagreb.

Mostar citizens and the representatives of the authorities in the eastern part of the city expect Federation President Kresimir Zubak to answer the questions that have arisen after his statements in Zagreb. [passage omitted]

Government Debates Cease-Fire, Media Dispute

LD0801205095 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1800 GMT 8 Jan 95

[FBIS Translated Text] A session of the government of the Republic and Federation of Bosnia-Herzegovina was held today. Among other things, the session debated the implementation of the agreement on the cessation of hostilities and the content of a letter by Amila Omersoftic, director of Radio-Television Bosnia-Herzegovina, in which she requests that the government explain why journalists of Bosnia-Herzegovina Radio-Television were not allowed to attend the government session of 4 January this year. Here is a report by [name indistinct]:

[Correspondent] At the beginning of today's session of the Government of the Republic and Federation of Bosnia-Herzegovina, Prime Minister Haris Silajdzic analyzed the current problems involved in implementing the agreements signed on a cease-fire and cessation of hostilities in Bosnia-Herzegovina. The cease-fire agreement has not been realized as a whole, Prime Minister Silajdzic pointed out, in view of the fact that the offensive on Bihac has still not stopped, even today. The other agreement [on cessation of hostilities] implies a large number of activities, and none of those, which depend on the Serb aggressor, have been realized.

Let us cite just some of them: Medical evacuation was not permitted from any of the surrounded areas. UNPROFOR [UN Protection Force] and the UNHCR were not allowed to send humanitarian aid into Bihac. The roads to Sarajevo were not opened. And the Serb aggressor is not allowing international humanitarian organizations to pass along any road under its control. So at today's session, it was decided that the government, via the Ministry of Foreign Affairs, will request of the United Nations that its organizations—UNPROFOR and the UNHCR—begin applying all sections of the two above-mentioned agreements.

In the context of the authority of the Federation and the Republic, the government approved draft economic policy measures for 1995. These were otherwise considered at one of its previous sessions. In the framework of the competence of the republic, the government considered reports on the state of the bilateral agreements between the Republic of Bosnia-Herzegovina and the Republic of Croatia.

It was stated that there are differences over the approach to confederal arrangements between the Bosnia-Herzegovina and Croatian sides. Some articles of very important agreements on which work has recently been done have not been agreed upon. These are the draft agreement on the abolition of visas, the return of refugees, economic cooperation, outlets to the sea for Bosnia-Herzegovina, and an agreement in the field of transport and communications. The government will approach Nikica Valentic, the minister of foreign affairs of Croatia [title as heard], on this matter with the suggestion that, on the basis of the Washington Agreements, these agreements be concluded as a package.

The government today also examined the letter it received from Amila Omersoftic, director of Bosnia-Herzegovina Radio-Television, via the Ministry of Education, Science, Culture, and Sports. In her letter, Ms. Omersoftic wants to know why Bosnia-Herzegovina Television correspondents were not allowed to cover the government session on 4 January 1995. The letter also gave rise to a debate by government members on Amila Omersoftic's statement at a news conference yesterday. Most of the members agreed that now is not the time for such statements and that Ms. Omersoftic did not choose the right method to settle this disagreement.

Reacting to her statement, Prime Minister Silajdzic read the following report on behalf of the government:

[Begin Silajdzic recording] The media are carrying unfounded and untruthful attacks by the acting television director against the government and the prime minister of the Republic. The statement in itself does not deserve a reaction, because we are a country at war and we must not divert the attention and energy of the government and public to issues of an irrational nature. However, it is not just a question of one statement; it is a question of the state institutions and of the type of system we shall have. For many reasons it is often said that even in the conditions of a destructive aggression, we have managed to preserve some of the fundamental features of democracy. These features include, first of all, freedom of the press, radio, and television. This is one of the essential qualities that sets us apart from fascism and totalitarianism—one of the reasons why the war is being waged here in the first place.

However, freedom of the press, radio, and television have nothing in common with the monopoly of individuals and groups who, by taking advantage of their positions, wish to use the media for their personal advantage and self-promotion. It is even worse when someone tries to take advantage of the public media in order to manipulate legitimate state institutions.

I must say that after the assembly session in Zenica, the acting director of Bosnia-Herzegovina Radio-Television, at an official meeting with representatives of a parliamentary party [the Social Democratic Party, SDP], proposed to the leadership of this party that it attack the government in its statements and promised always to

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carry such statements. Likewise, no statements by this party would be published if its members supported the government. Three participants in this meeting, independently of each other, thought it proper to tell me about the statement by the acting director of Bosnia-Herzegovina Radio-Television, and some of them did this publicly, through the press. This is why I told the government at the session that I had lost my trust in the leadership of Bosnia-Herzegovina Radio-Television.

Until this problem is resolved I do not want the Television to have access to sessions; just now, we have decided to grant them access because of the public interest. The statements made by the acting director of Bosnia-Herzegovina Radio-Television fully confirmed that I was correct to react in this way.

Taking advantage of its unrestricted authority, the director of Bosnia-Herzegovina Radio-Television made an official statement demanding the replacement of the prime minister, i.e. the government. It is hard to find a country in which a director of state television appoints and fires prime ministers or provokes a crisis in the government, which was unanimously elected in a secret ballot.

The director also claims in her statement that the Television service has the right to control the government. This means that the government is not subject to public control, but to the control of television. Since the director controls the Television service, it transpires that she should also have personal control over the government. This is achieved by selecting reports and selecting journalists. Such attitudes go completely against our system and against fundamental democratic principles. It is very hard to imagine a government which is accountable to a television director. In that case, it is no longer important what decisions the assembly and its deputies reach, but what the Television service director thinks about the government, because she will do her best to impose her opinion on the public.

A television director shall not run this government. These are dangerous games. They are not dangerous for the prime minister or the government. They are dangerous for a system which wishes to preserve its democracy, prevent the abuse of public functions, and avoid the trap of unrestricted authority of individuals.

We as a government do not have power over the Television service and the director of Bosnia-Herzegovina Radio-Television is not accountable to the government, i.e., to the assembly. However, we have the duty and right to warn of mistakes and weaknesses and power abuse and to inform those who are in charge of both personal and program matters on Bosnia-Herzegovina Television. I propose that this government should do this. [end recording]

[Correspondent] The government adopted the statement. Let us just point out that two of the 11 ministers present, Interior Minister Bakir Alispahic and Foreign

Minister Irfan Ljubijankic did not agree with the content of the report. Another of the government's decisions was to allow journalists of Bosnia-Herzegovina Radio-Television to attend, on the same terms as other journalists, all future government sessions in the Republic and Federation of Bosnia-Herzegovina. The final judgment on the above dispute will be made by the assembly.

Rose Calls Off Visit to Krajina Serbs in Knin

AU1001122095 Paris AFP in English 1124 GMT
10 Jan 95

[FBIS Transcribed Text] Zagreb, Jan 10 (AFP)—UN Bosnia force commander, General Sir Michael Rose, has called off a visit he was to have made Tuesday to Knin, the centre of the self-proclaimed Serb republic of Krajina, inside Croatia, a UN spokesman said here.

The cancellation was due to "problems linked to the organisation of the meeting," Thant Myint-U said. A high-level delegation from the United Nations was expected to go to Knin on Wednesday, Myint-U added.

Another UN official, who did not wish to be named, said Krajina authorities had refused to meet Rose.

The Croatian Serbs from the Krajina region, which borders on western Bosnia, have denied having any troops fighting inside Bosnia and have made clear they are not concerned by a truce agreement signed December 31 between the Bosnian Government and breakaway Bosnian Serbs. The truce agreement calls for the withdrawal of all foreign forces from Bosnia.

Rose last month vainly sought to visit Knin after traveling to the northwestern Bihac pocket, where Krajina Serb forces have been fighting alongside Bosnian Serb and Moslem rebel forces. Rose wanted to discuss the question of the withdrawal of Krajina forces from the Bihac pocket and their lifting of a near complete ban on humanitarian convoys headed for the besieged Moslem enclave.

Croats Hold Serbs Responsible for Maltreatment

LD0901174195 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 9 Jan 95

[FBIS Translated Text] The Government of the Croat Republic of Herceg-Bosna has informed all the international players about the extremely difficult position of the Croats living in Serb-controlled parts of Bosnia-Herzegovina. Zdenko Vranjes has a report from Mostar:

[Vranjes] The government of the Croat republic of Herceg-Bosna holds the Serb side responsible for the suffering of Croat civilians living in Serb-controlled parts of Bosnia-Herzegovina, particularly in the Banja Luka area. Warning that the Serb side has been maltreating and persecuting Croat civilians in that area, using them as human shields and forced labor on battlefields, the Herceg-Bosna Government said that the Serb

authorities do not observe international conventions and peace documents that they themselves have signed.

Hence the government tasked its bodies in charge of negotiations on exchanges of POW's and dead soldiers to condition the fulfillment of their tasks by the Serb side releasing arrested and persecuted Croats from the area of Banja Luka. In addition, the government warns that the Serb aggressor continues to violate the cease-fire on the territory of the Livno and Kupres battlefield. While examining the situation on the territory of Banja Luka, the government pointed to the great support given to the local Croats by the Catholic Church, i.e., the Banja Luka Bishopric.

A decision was also reached at the session today to set up the public enterprise of Herceg-Bosna Radio and Television. Ivan Culjak, a deputy prime minister in the Herceg-Bosna Government, was appointed acting manager.

The government today also earmarked funds for a course to be attended by Herceg-Bosna candidates for the diplomatic and consular service of the Federation of Bosnia-Herzegovina.

It was confirmed in Mostar today that top representatives of the Croatian Democratic Union of Bosnia-Herzegovina and the Party of Democratic Action are to meet in Mostar on 12 January, when an agreement on whether there will be a rotation in the top leadership of the Bosnia-Herzegovina Federation will be reached and other contentious issues from the agenda of the forthcoming session of the federal assembly to be held on 16 January will be coordinated.

In preparation for that session, the Chamber of Deputies of the Croat republic of Herceg-Bosna is to hold a session on 13 January; all Croat deputies to the constitutional assembly of the Bosnia-Herzegovina Federation are to meet on 14 January.

Dudakovic Accuses Serbs of Executing Captives

AU0901190295 Paris AFP in English 1832 GMT 9 Jan 95

[FBIS Transcribed Text] Zagreb, Jan 9 (AFP)—The mainly Moslem Bosnian Army on Monday [9 January] accused Serb forces of executing soldiers and civilians captured in fighting in the northwestern enclave of Bihac.

In a letter addressed to the International Committee of the Red Cross (ICRC), the commander of the Bosnian 5th Corps, General Atif Dudakovic, defending the enclave, protested at the alleged killings and asked the ICRC [International Committee of the Red Cross] to register all prisoners held by the "Serb aggressor." He also demanded that Serbs respect the Geneva Convention on prisoners' rights in a letter, a copy of which was obtained by AFP here.

Dudakovic named six young soldiers, aged between 19 and 27, who he said, had been killed in captivity. Some prisoners were shown alive on television after their capture and their bodies were later exchanged, he said.

The General further spoke of civilians "taken prisoner and then killed in their occupied villages." A family was "massacred" in its home in the village of Sokolac, he said.

Bosnian Croat HVO [Croatian Defense Council] forces meanwhile said they had repelled an attack launched by Bosnian Serb troops near Livno, in southwestern Bosnia, the Bosnian Croat news agency HABENA reported. Both sides are signatories to the cessation of hostilities accord which came into force on January 1.

The HVO regional commander said in a statement carried by HABENA that the Serbs had launched an artillery and infantry attack at Koricina, just north west of Livno, but the push was "repelled successfully."

Ganic: Iran, Zagreb Visits, Talks With Akashi

AU0901211395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 9 Jan 95

[Statement by Ejup Ganic, Presidency member and vice president of the Bosnia-Herzegovina Federation, upon his return from Tehran and Zagreb, in Sarajevo on 9 January—recorded]

[FBIS Translated Text] As you know, I spent two days in Iran at the invitation of the state's official authorities. I spoke with Iran's President, Mr. Rafsanjani, Mr. Velayati, vice president and foreign minister, and Mr. (Jenety), president of the Constitutional Body, who is also the president of the Committee for Aid for Bosnia-Herzegovina. We discussed the general military and political situation in the Balkans and in Bosnia, and all issues that are of interest to both countries.

On my way back, I spoke with President Tudjman and his associates in Zagreb. Mr. Zubak also attended the talks. We discussed all issues pertaining to the region, particularly the implementation of the Washington Agreement. We agreed—and that was our proposal—that the goodwill committee, comprised of four ambassadors—United States, Germany, Austria, and Turkey—should be activated and, as an unbiased body, should aid the implementation of the federation constitution in Bosnia-Herzegovina, since there have been various interpretations of the situation on the ground and obstacles to the implementation of the federation constitution. This is a concrete agreement. We also discussed other issues, the signed cease-fire, and other issues that are of interest to the Republic of Croatia and the Republic of Bosnia-Herzegovina.

During my sojourn in Zagreb, I also spoke to Mr. Akashi about the signed cease-fire agreement and the cessation of hostilities. Our talk centered on two topics: The withdrawal of the Serbian Army, the Knin Serbs, from

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the Bihac pocket, and the opening of the blue routes. Mr. Akashi had no complaints regarding the army and government's behavior in implementing the agreement. He stressed that, in the course of the week, he would send a high-ranking delegation to Knin in order to ensure the withdrawal of the Knin Serbs from Bihac. If this fails to happen at the earliest possible time, he will activate all of the UN Security Council's mechanisms in order to ensure the withdrawal of these forces. Moreover, Mr. Akashi promised the opening of the blue routes, as this is the first step in the implementation of the agreement. He promised he would come to Sarajevo soon if all these things fail to progress as quickly as he promised today.

Kadic: Peace Agreement 'Forced on Both Sides'

AU0901195395 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1400 GMT 9 Jan 95

[FBIS Translated Text] At today's news conference of the Liberal Party of Bosnia-Herzegovina, its president Rasim Kadic stressed that the latest peace agreement has been forced on both sides, but that it was nevertheless a chance for ending the war.

Kadic believes that we cannot be certain that all activities will be aimed at the aggressor side. In his opinion, the Bosnia-Herzegovina side is under great political pressure, perhaps best illustrated by the letter recently sent by U.S. Secretary of State Warren Christopher to President Alija Izetbegovic.

Kadic moreover said that the Croatian Democratic Community's behavior in the last couple of weeks causes concern, particularly Kresimir Zubak's position and demands.

As far as the latest relations between RTB Bosnia-Herzegovina and the Government of Bosnia-Herzegovina are concerned, the Liberal Party supports the need for strengthening the legitimate bodies of authority who need to clear up certain issues.

Sarajevo To Open Roads to Civilian Traffic

LD1001083995 Belgrade TANJUG Domestic Service in
Serbo-Croatian 0409 GMT 10 Jan 95

[FBIS Translated Text] Sarajevo, 10 Jan (TANJUG)—The authorities in the Srpska republic announced today that they will open all roads in and out of Sarajevo to civilian traffic by the end of this week, despite the fact that the Muslims have not yet pulled out from mounts Igman and Bjelasnica.

"Despite the fact that the Muslims persistently refuse to withdraw their forces from the illegally occupied territories on mounts Igman and Bjelasnica, the Serbs will nevertheless open all roads leading in and out of Sarajevo to civilian traffic by the end of this week," reads a statement for the public forwarded to SRNA, and signed by Jovan Zametica, President Radovan Karadzic's adviser.

"We will do this not only to help salvage the agreement on the four-month cessation of hostilities, but also to enable humanitarian aid to reach all innocent civilians in this terrible war," the statement says. It also underlines that the Serbs will "insist that the Muslims withdraw from the Igman and Bjelasnica zones in line with the agreement of 14 August 1993; failing to do so will bring the entire peace process into question."

Serbs Laud Carter Mission, Claim Victory

AU1001120295 Sarajevo OSLOBODJENJE (Bosnian
Serb) in Serbo-Croatian 27 Dec 94 p 8

[Commentary by Dragoljub Maslic: "Long-Awaited Recognition"]

[FBIS Translated Text] Smiles have appeared on the faces of Serbs in the Srpska republic because they have lived to see the light of truth, sent out into the world a long time ago, about our just struggle for national liberation, reaching the wide world even as a tiny glimmer. What other, far more important architects of relations in the international community did not have the courage to say (opposing their own common sense!) was said without hesitation by Jimmy Carter in Pale at negotiations with the state leadership of the Srpska republic. His statement deserves to be printed big and in boldface: "I cannot deny that the Serbian attitudes have been one-sidedly presented in the American media."

Carter did not let himself stumble over the slippery and unfounded propaganda of the Muslim (dollar-stuffed) lobby in America, as embodied by Republican Senator Robert Dole. However, this statement of Carter's caused a shock in the White House, so its spokeswoman Dee Dee Myers rushed to affirm that the Bosnian Serbs are the aggressors in this war! The former U.S. President, famous for his mediating missions in North Korea and Haiti (where with his negotiating wisdom he prevented the outbreak of a new Korean war and bloodshed in Haiti) and devoted to justice and truth, did not allow himself to be confused by the expeditious explanation from the White House.

In Pale, Carter carefully listened to the arguments and proposals made by the leadership of the Srpska republic, processed all this in his own computer of reason and came up with a result, the proposed agreement on a cease-fire between the warring factions (lasting four months) and the start of negotiations about global peace. He was twice in Pale and twice in Sarajevo, and obtained approval from both sides for the text of the agreement.

Flexible Christopher

Regardless of what the end result of Carter's mission will be (because the Muslims have broken all agreements so far), the Serbs have scored significant points even with official Washington, that appears to be gradually taking a more moderate course regarding the causes and consequences of the war in former Bosnia-Herzegovina. Even

the notoriously inflexible Warren Christopher showed that he can be flexible as well, assessing Carter's mediation as a positive step forward.

For all those who carefully follow the events in former Bosnia-Herzegovina, the Muslim acceptance of the Carter agreement is at the same time an expected and unexpected step made under coercion. Having lost the war, the only straw at which the Muslim leadership can clutch is territorial division according to the Contact Group plan. What Christopher failed to say was brought out by THE NEW YORK TIMES. Assessing that the Bosnian Serbs may keep 70 percent of the territory with the help of the UN peace-keeping forces for an indefinite time, while the UN peace-keepers would be deployed between the warring factions in the course of cease-fire, the New York daily concludes that the Serbs have thereby ensured a strong position for themselves in the negotiations on the establishment of their own state.

We do not know how Muslim officials will interpret the following part of THE NEW YORK TIMES' analysis, that is, a devastating sentence which we quote: "As for the Bosnian Muslims, to them it is clear that they have lost the war and that they cannot expect any help from abroad, so for that reason they have to swallow the agreement, making sure that they remain as close as possible to the division anticipated by the Contact Group plan."

Whether this assessment explains this flexibility on the part of Christopher will soon become clear. Still, THE NEW YORK TIMES does not bring out such things without previous consideration, particularly not this one, revealing certain things that are beneficial for the Serbs, while for the Muslim leadership still being possibly unknown!

Russian Tricks

Bewildered by the turmoil and secessionist tendencies of the Muslims in Chechnya, the Russian public, and particularly the Foreign Ministry, has still paid some attention to Carter's mission. To put it bluntly, Moscow is putting the Serbs and the leadership of the Srpska republic at the stake because of Carter's peace mediation! Many Russian newspapers, supportive of Foreign Minister Kosyrev, who obeys American demands at least in the case of the Bosnian Serbs, cannot understand how the United States has fallen for Serbian tricks. By this, they probably mean that the Serbs have let down Russia's readiness to stand up for the Serbian brothers, while they also want to play a game with Washington, trying to obtain its consent to move the line from Malta to the Drina, and perhaps even farther east!? [sentence as published]

We shall not go into details of Russian-American relations, but we do emphasize that we find it quite unclear, incomprehensible, and peculiar that Carter's visit to Pale is considered to be a move aimed at driving Russia out of the Balkans! In the Russian public there have appeared certain statements by unidentified representatives of the Foreign Ministry, who are sending messages to Washington through Pale. So a top Russian diplomat, as the INTERFAX news agency "identifies" him, has stated that the Americans have betrayed the Russians over Bosnia. If not Kosyrev himself, this top Russian diplomat must be one of his closest aides.... We do not refer to Vitaly Churkin, who did not miss even this opportunity to express his concern at our expense: "Russia will get nothing if the Bosnian Serbs win...."

Mr. Churkin, we have already won. And now we are patiently waiting to see Russia led by Russian Russians, instead of American ones!

Ganic Issues Statement After Talks With Tudjman

AU0901173395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 9 Jan 95

[Report by Nada al-Isa from Zagreb]

[FBIS Translated Text] The talks between President Tudjman and Dr. Ganic were also attended by Kresimir Zubak, president of the Bosnia-Herzegovina Federation, Croatian Foreign Minister Mate Granic, and Croatian Defense Minister Gojko Susak. Following talks in the Presidential Palace, Dr. Ganic gave a statement for Radio Television Bosnia-Herzegovina in which he said the following:

We have discussed the problems obstructing the implementation of the federation, relations between the Republic of Bosnia-Herzegovina and the Republic of Croatia, the forming of cantonal authorities in the federation, but also the violation of human rights and the return of refugees. Dr. Ganic particularly warned his interlocutors of human rights violations on the territory controlled by the Croatian Defense Council, but he also asked the representatives of the Croatian people to say if they believe that such human rights violations also occur in areas controlled by the Bosnia-Herzegovina Army.

To put it shortly, many details pertaining to the implementation of the federation were discussed, for example, visas between the Republic of Croatia and the Republic of Bosnia-Herzegovina. Dr. Ganic particularly warned of problems with the customs office in Doljani, the use of Ploce Port, accomplishments in establishing cantonal authorities, and problems with the traffic of goods and people.

Dr. Ganic assessed the talks at the Presidential Palace as useful. That is why it is interesting—maybe even significant—that up to the time of this report—some five hours after the talks—the Presidential Palace has not issued any statement. When we inquired when this would happen, we were told that it was still uncertain whether there was going to be a statement. Why?

Talks between Dr. Ganic and Yasushi Akashi in UN Protection Force [UNPROFOR] Headquarters in Zagreb were very brief but concrete. Dr. Ganic asked Akashi to do everything to see that the cease-fire in Bosnia-Herzegovina—particularly around Bihac—is observed, and that blue routes are opened for humanitarian aid. Dr. Ganic warned Akashi that the Government and the Presidency of Bosnia-Herzegovina are very worried by the fact that the aggressor is not observing the cease-fire, that the Serbian paramilitary from the so-called Serbian Autonomous Province of Krajina in the occupied Croatian territories is still on Bosnian territory, and that the aggression against Bihac continues. This is a very serious problem, stressed Dr. Ganic, and that is why the Bosnia-Herzegovina Government demands that all the aggressor troops immediately withdraw from the Bihac area, and that UNPROFOR be

deployed as a kind of buffer zone. In talks with Akashi Dr. Ganic stressed that the Bosnia-Herzegovina Army was withdrawing from Mt. Igman and thus fully complying with the signed agreement. The Government and Presidency of Bosnia-Herzegovina are implementing what they signed and are therefore calling on the United Nations, UNPROFOR, and Mr. Akashi to force the aggressor side to comply with what it has signed.

UNHCR Relief Convoy Leaves Zagreb for Bihac

AU1001100795 Paris AFP in English 0949 GMT 10 Jan 95

[FBIS Transcribed Text] Zagreb, Jan 10 (AFP)—A relief convoy left Zagreb Tuesday morning heading to the northwest Bosnian enclave of Bihac, carrying 110 tonnes of food and medicine, a spokesman for the UN High Commissioner for Refugees (UNHCR) said.

Alemka Lisinski said that if the 10-truck convoy manages to reach the embattled pocket it would be only the third such relief convoy to do so since September.

Some 180,000 mainly Moslem people are trapped in the Bihac pocket besieged by Serb forces from Croatia's Krajina region and troops loyal to dissident Moslem leader Fikret Abdic.

Last Wednesday a UNHCR convoy headed to the pocket had to turn back because of difficulties encountered with Serb troops and some of Abdic's men.

The UNHCR on Monday said it might consider air drops if its convoys can't reach the pocket.

Special Police Receiving Advanced Training

95BA0075C Zagreb VJESNIK in Serbo-Croatian 8 Dec 94 pp 4-5

[Article by Jasminka Ivancic: "If They Take Velebit, They Will Take Everything"]

[FBIS Translated Text] The strong forces of the MUP [Ministry of Internal Affairs]—that is what we said three years ago, referring to the special police, with respect and admiration, feeling safe because of their presence. Today, lulled into some kind of peace, we have almost forgotten what they meant, what they did, and what they are still doing. But the specialists are still holding the positions they took long ago, through everyday persistence, and one of the most difficult they hold is Velebit, a stony mountain full of uncertainty and countless, almost daily, surprises, always ready with weather to make it more difficult to stay there and to guard a region of Croatia.

But regardless of the living conditions, even if they were favorable, Velebit, that "constant of our unconquerable position" for three years now, is a reality difficult for the ordinary man to assimilate and understand. And aside from holding the positions they have taken, the special police are also going through further training, returning

step by step to their fundamental jobs, improving themselves. The immense and irreplaceable experience gained on this terrain in the hell of war is the basis for their continued organization of special units, for training in details for which there was no time during the war. The apparently unconquerable Velebit has now become a link between the northern part of Lika and the southern part of Croatia, a link between two climates, and the everyday life of the special soldiers on this crag has brought it closer to people.

We came upon a group of special police in a course for advanced training in mountain-climbing and operations of the mountain rescue service, under the direction of Alen Klabot, instructor in specialized training in the Special Police Sector of the Croatian MUP. In the intervals between climbs up rock faces seemingly unconquerable for an "ordinary" man, Klabot told us:

"The way we have planned it, these are lads from police departments, one each from all the special units, here to get additional training in mountain-climbing, speleology, and general knowledge for the mountain rescue service. But they will pass on this knowledge to other special police. We are giving them exercises in mountain-climbing, handling the winch, the mariner, and the other equipment needed in saving the injured, extracting injured people from canyons, caves, and inaccessible places," Klabot explained to us. "As for mountaineering," he went on to explain, "these special police are training in the use of rock-climbing equipment and skill in solving hostage situations, entering buildings from the roof, and so on. This rocky terrain is an excellent foundation, because anyone who can do this has to know the basic elements of rock-climbing. This will also be of use in performing other combat missions in rocky terrain, should it be necessary."

"Instructors of the Mountain Company under Major Jerko Kirigin, who has been an experienced rock-climber for many years, are also taking part in the training. Plans call for advanced work and continuation of exercises, which is actually the most necessary thing if a certain skill is to be acquired.

"This might be called the summer course, but later we would also continue with the winter course in order to master techniques under icy conditions, camping in the ice, bivouacking, getting your bearings in the snow, skiing...and certainly all of this is done under load, under a full load of equipment, and the entire purpose is to practice for performing the most difficult missions of the special police," Klabot explained to us the exercise as we watched.

The special police, young men not much over the age of 20—had come from units of the Osijek Eagles, the Zagreb Alfis, the Varazdin Storks, the Zadar Vipers, the Bjelovar Omegas—are ready for even the most difficult missions and exercises, although there have been falls and hands scraped raw by the sharp rocks and ropes. They do not always wear gloves. But the most important

thing to everyone is to succeed, to be better than the others, to master the rocks, to perform the mission as successfully as possible.... After all, they say, if they conquer this terrain, then they can handle any terrain in Croatia.

Total Collapse of Electric Power Feared

95BA0080C Belgrade NIN in Serbo-Croatian 9 Dec 94
p 29

[Article by Violeta Marketic: "Electricity: Salaries and the System"]

[FBIS Translated Text] Although the available generating capacity of the EPS [Electric Power Industry of Serbia] is considerably greater than the needs, still there is not enough power, and those familiar with the situation in the EPS say that they do not know when there will be.

The main reason for the almost daily outages, which at the beginning lasted two hours, but in the last several days have been lasting five hours, is the low price of electric power, which at the moment does not cover even the costs of current business operation. The National Bank of Yugoslavia promised 250 million dinars for this year's overhaul of power plants, but it furnished only 100 (it offered the rest in promissory notes, which the EPS did not accept), and it is certainly the public that has gotten the raw deal in this entire story. And then on Monday the people of Rusanj blocked the Ibar Highway, and those from Jajinci blocked the Avala road. The next day they were received by Mr. Pavlovic, vice president of the city of Belgrade responsible for the affairs of municipal services. He promised that they would get electricity that day. These are the same old games in public affairs.

But the EPS received the most severe criticism from Mr. Covic, mayor of Belgrade, who asked what the power industry did with the money it received to repair the power plants, which it did not do. The mayor illustrated this remark by referring to the regular blackouts, aside from the three-hour outages that result from breakdowns. Observing that the EPS is not the only public system in Serbia that has problems, Mr. Covic particularly emphasized that the funds obtained from the National Bank of Yugoslavia were not used economically.

Does this perhaps mean that the money went for salaries?

"In the Serbian Ministry for Mining and Energy, a crisis headquarters has been established, and its inspectors will be in the field every day and will monitor consumption so that in the future only those would be disconnected who have consumed more power than last year at this time," says Dragan Kostic, energy minister in the Serbian Government and a member of several boards of directors in the companies making up the EPS. "Power is not being exported," he continued, "and there will be no

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rate increases, and as for the inconveniences to the public, I offer my personal apology."

Personnel of the EPS deny that in spite of the difficult operating conditions they have the highest salaries in Serbia. They say that the average salary in the economy was 158 dinars in June, while in the EPS it is slightly above that. The EPS says that there are no accurate records on average earnings in their 23 companies. Nevertheless, we have learned that the highest salaries are 437.73 dinars in their main headquarters, then come the hydroplants with an average of 346 dinars, and the Kostolac Thermal Plant with only 251.22 dinars. The workers say that the highest individual salary in June was 989.17 dinars, including past labor.

Dragan Vesic, a member of the EPS Main Trade Union Committee, says: "For more than two years, the trade union has been issuing warnings to the government, although that is not its job, about difficulties in the EPS that could have far-reaching consequences or even a breakdown of Serbia's electric power system. The people with the greatest responsibility in the EPS are giving the public the illusion that everything is in perfect order, but when the temperature falls below minus five, you will see what will happen. Perhaps all of Serbia will be in the dark then. As far as exports of power are concerned, I know that none of the workers meddles in those affairs, because this lies in the domain of a state secret."

The general director and marketing director of the EPS have so many meetings every day that they barely manage to issue scant news releases in which they appeal for conservation, because dark days are on the way. Their secretaries say that the power distribution system in Belgrade is responsible for the cutoff of power in the capital, but in the distribution system they say that they have to cut off the power, because the EPS is not delivering the agreed quantities.

The electric power system of Serbia used to export power, and it had 8,293 megawatts of generating capacity. Record power production was achieved in 1988—36,899 gigawatt-hours [GWh] of electric power, while 27,797 GWh were consumed.

If power, according to the assertion of Bogdan Djurdjevic, marketing director of the EPS, has never been exported in the wintertime, how is it that Serbia cannot even meet its own needs at this point?

Army Weekly 'Forgets' Vukovar Tragedy

95BA0061A Split FERAL TRIBUNE in Serbo-Croatian
28 Nov 94 p 3

[Article by Boris Dezulovic: "Forget It if You Can"]

[FBIS Translated Text] Last week all the Croatian newspapers were at least polite enough to recall 18 November 1991, the cold Monday when Vukovar fell after a three-month siege. More accurately—almost all of them. That is, there was only one paper that judged that Vukovar

should not be given so much importance. In the most recent issue of that paper you will not find a single headline concerning Vukovar, not a single photograph, not even a single line. The publisher of that paper is the Defense Ministry of the Republic of Croatia, and its name is HRVATSKI VOJNIK! By coincidence the paper does carry the date 18 November on the cover. The year is 1994.

On this 18 November the "newspaper of the invincibles," as this favorite reading matter of exemplary soldiers and duty officers affectionately likes to refer to itself, found it much more important for Croatian history and an editorial to cover the visit of Dr. Franjo Tudjman, president of the Republic, to Karlovac, where he visited the Karlovac Brewery, signed the book of distinguished citizens, and presented to officials of the zupanija crystal vases bearing the Croatian crest.

Under the Slogan "Let Us Forget"?

No, because HRVATSKI VOJNIK is not forgetting. The "newspaper of the invincibles," that is, knows full well what happened three years ago: We thus read in this issue about the 3d anniversary of the 133d Island Brigade, the 137th Duga Resa Home Guards Regiment, the 98th Brigade of the Judicial Police, the 8th Artillery Howitzer Group of the Croatian Army, or the 50th Regiment of NBC [Nuclear, Biological, Chemical] Defense. We also read about the 3d anniversary of the liberation of Velika Pisanica or the taking of the garrison at Delnice, but in three years there still has been no room for recalling Vukovar.

Perhaps in the end it was because the space was needed for the South African Military Industry, the new Iranian tank Zulfiqar—a "riddle for Western experts"—or on the other hand four (!) photographs of Brigadier Ivan Tolj, who heads the political administration of the Defense Ministry, but in his spare time is also the editor in chief of HRVATSKI VOJNIK, whom we thus see addressing students in seminars for officials of the political administration, posing in the front rows at a holy mass for fallen defenders, paying respects to the fallen fighters of the 1st Guards Brigade, and delivering an inspired address to their surviving fellow fighters in the dignified atmosphere of the Globus restaurant in Zagreb. Still nothing, however, about Vukovar; in its 120 pages the "newspaper of the invincibles" did not even mention the word "Vukovar" a single time!

Well, now, perhaps this observation will sound at least as paranoid as the frantic search for the stamp "Made in Yugoslavia" on the label of men's undershorts or cans of peeled tomatoes. And it would be if that newspaper was not called HRVATSKI VOJNIK [Croatian Soldier] and if this were not the same establishment that three years ago built the pyramid of a myth on the ruins of Vukovar, injecting Vukovar into our veins by a transfusion when there was a need to correct the blood count of an anemic Croatia. And then by turning Vukovar into a symbol, by writing it in styrofoam letters on the marquee of cheap

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patriotism, and by marketing plastic copies of that symbol whenever there was a need to promise the "speediest return home," they later reduced a mercilessly concrete and still tangible death to the level of an appropriate ditty composed for "Listeners' Requests." And then they forgot the words.

A myth, that is, has the awkward feature of always being based on a reality that occurred sometime in the past. The myth of Vukovar, however, has the awkward feature of its figures being still alive. And so long as we still at least have the transcripts of the last conversations between Vukovar and Zagreb, it will be very difficult to complete the pyramid of the myth of Vukovar. That is, at some point in that story the mythical Hrvoje Sarinic will appear, will cover the mouthpiece of the telephone with his hand, and in a stuttering whisper will ask the mythical president: "Mr. President, it's Vukovar again. Shall I tell them that you are still sleeping?"

For that matter, even Ivan Tolj himself, brigadier and poet, "officer and gentleman," quotes himself on page 24 of his own newspaper, and—addressing the fighting men of the 1st Guards Brigade before presenting commemorative medals and a bite to eat—would emphasize: "It shall forever be recorded that there was a heroic people, the Croatian people, who had the strength to create a state, a most glorious state created in suffering and blood." Just so we know what will be recorded forever, recorded in gilt letters. And what is "worth dying for."

In the meantime, on 18 November 1994 the mythical city, after a three-year siege, fell for a second time. Now, however, into oblivion. Here in the white space between the lines of the neatly inscribed gilt letters Vukovar is waiting for the mythical president to sign its book of distinguished citizens. There will presumably be enough crystal vases with the Croatian crest to go around.

Gligorov Receives U.S. Assistant Secretary
AU0901193495 Skopje MIC in English 9 Jan 95

[FBIS Transcribed Text] The president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] Kiro Gligorov received, yesterday in Ohrid, the U.S. Assistant Secretary of State for European questions Richard Holbrooke, who is currently on a tour of the Balkans. The Macedonian Foreign Minister Stevo Crvenkovski and the head of the U.S. Liaisons Office in Macedonia Victor Komras also participated in the talks.

The two sides exchanged opinions on the most important questions from the relations and cooperation of the Republic of Macedonia and the United States of America, on a political, economic and military plan. The Macedonian side underlined that the establishment of full diplomatic relations will be of key importance for overall mutual relations.

The Assistant Secretary of State Holbrooke spoke of the significance the United States is giving to the maintenance of the integrity, sovereignty and independence of Macedonia, as well as America's interest to provide stability to the country and the wider region. He particularly emphasized the readiness of the United States to offer economic and technical assistance in regards to the balance of payment and the realization of the stabilization policy.

On his behalf, Gligorov underlined the role of the Republic of Macedonia as a factor of the peace and stability on the Balkans, and that he would continue the internal democratic development and peaceful foreign policy.

The delegation of the U.S. State Department was fully informed about the internal situation in the country and the state of the current relations with the neighbors. A particular emphasis was placed on Macedonia's interest for a quick and principled solution of the dispute with Greece, and on that note, the urgent lifting of the Greek embargo against Macedonia. Macedonia's readiness to continue the dialogue, both within the United Nations and with the mediation of Mr. Matthew Nimetz, was confirmed. It was also said that Macedonia is ready to hold a dialogue on all questions, except for questions that jeopardize the national integrity, independence and stable development of the Republic of Macedonia.

President Gligorov Views Future Goals, Tasks
AU0901204095 Skopje NOVA MAKEDONIJA in Macedonian 31 Dec 94-3 Jan 95 pp 1-2

["New Year Message" by President Kiro Gligorov; place and date not given: "Macedonia—A Country of Changes, a Country With Perspectives"]

[FBIS Translated Text] "Another year of great achievements is behind us, but it was also another year full of

temptations and numerous difficulties for us," President Gligorov emphasized at the start of his New Year message.

"On the international stage, 1994 was a year in which we reinforced the position and distinction of our country. We made new friends, we established new relations, and we intensified our cooperation with a great number of countries in the world, as well as with important international organizations and institutions. The year 1994 demonstrated that the independent, stable, and peaceful Republic of Macedonia [The Former Yugoslav Republic of Macedonia] represents the key to peace and stability in the south of the Balkans.

"Unfortunately, during the past year, the Balkans was again the European battleground. The war in Bosnia-Herzegovina, the tensions among a number of Balkan countries, and some unsolved problems among them, are hampering normalization and progress in the region. All these circumstances, which are also being aggravated by the damages that the Republic of Macedonia is suffering from the Greek embargo and the sanctions against the Federal Republic of Yugoslavia, created enormous difficulties and irreparable damage.

"On the domestic stage, it was a year of the continuation of economic and social reforms, accompanied by all the difficulties that follow the process of transition, by all the painful experiences of unavoidable social tensions, and by the dissatisfaction caused by faster and more radical changes. To stabilize the domestic currency and to have a full control over the inflation was indispensable. This part of the stabilization program was fulfilled beyond all expectations. As a result of this, I dare say that the necessary international support has been received for the next specific steps.

"The year 1994 was also the year of parliamentarian and presidential elections in the Republic of Macedonia. We have taken a new step toward the promotion of democracy and toward the development of a civil society. The elections were a test of democracy that defined the opinion and stances of the citizens of the Republic of Macedonia who voted, with a majority, for a policy of peace and stability, for economic reforms, and for a civil society.

"Because of all this, the Alliance for Macedonia and the parties that compose it bear a great responsibility to fulfill their promises and election programs, to cooperate, and take into consideration, first of all, the interest of the country and the importance of the future tasks. The public has the right to ask for and to expect them to show responsibility to the state and the people. If a broader consensus on reforms is necessary, they must be ready for that and they must involve and engage themselves to the utmost, and they must be also prepared to make sacrifices. Everything else is of secondary importance, as are, for instance, partial, party, or personal interests. We expect that this course will be taken in the parliament, in the government, and in the relations among the parties.

"The year 1994 will certainly be remembered as a year of continual cultural and scientific achievements in the Republic of Macedonia. We have accomplished great achievements in the film industry and literature, in the theater and painting, in the social and natural sciences that have been exposed and evaluated in the world.

"Last year, a census was also held in the Republic of Macedonia, which finally defined the real picture of the Republic of Macedonia. It was an event of importance for the economic and social projections in the country, but it was also an event that has finally stopped all speculation about the demographic movements in our country.

"In 1994, we were faced with difficult economic problems in a number of companies in the Republic, as well as with the problems of socially imperiled citizens, particularly of the unemployed, of the workers facing redundancy, and of the retired. These problems have been present for years and they will still be dramatically present in the future, too.

"We are on the eve of the New Year, 1995. It will be a hard and difficult year. That is exactly why I intend to view only the most important problems and tasks that are ahead of us.

"First of all, there are the problems on the economic and the social plan. There is no other truth than the fact that we cannot expect economic, social, and cultural progress without radical and rapid market reforms. These are the most important reasons for going on with privatization and structural changes, for reforms in the banking and fiscal system. We must start to increase production and we must struggle for our inclusion into the world market as soon as possible. These indispensable changes will be followed by intense social difficulties and tensions, but without these changes there can be no other alternative: Either economic chaos or a return to an unpromising state economy. The problems of liquidations can only be solved by new structural changes and new investments, and not by a violent continuation of the work of unpromising companies that will cover their losses from the budget. The problems of unemployment cannot be solved by administrative actions and artificial employment, but only by creating productive new jobs. Social care and protection can only be solved by economic and social mechanisms and the necessary solidarity. In particular, the transitional period requires a consistent economic policy and program and the constant and efficient work of the government. However, all this requires patience and an awareness that changes and solutions can only be reached within the system and through its mechanisms, and not in the street, not with violent methods, pressure, or political adventures. The rights and dignity of the employed and the citizens, of the socially imperiled and the young must be preserved. Perspectives can also be searched for and found in the reforms and through the mechanisms of the system. This is a difficult way, but the only possible way. Any other

attempt to play games with disorganized methods can be a serious threat to the dignity and the rights of each individual, as well as to the security of the state.

"These are the reasons why 1995 will be the year of reforms in ownership, in the economic and the legal systems of the state, with all the consequences that we shall have to prepare ourselves for. If we continue with the present situation, we can aggravate the crisis and deteriorate the living conditions. On the other hand, the reforms that will open perspectives for a new impetus, for employment, for new initiatives of capable and young people, cannot be painless. That is why we must face the changes readily, and we must demonstrate consistency and social solidarity. A high degree of consensus is necessary in order to be able to face the consequences that are unavoidable in the beginning. In the way we were determined and persistent in safeguarding peace, internal stability, and the international affirmation of the Republic of Macedonia, we shall now have to pass a test by asserting the changes that will definitely mark Macedonia as a democratic and market society. I believe that we shall not miss this historical chance, that we shall demonstrate maturity, and that we shall not yield to disorganized actions that cannot solve the situation and that can make the changes even more painful.

"The second important task is to strengthen the legal and democratic processes in the state. In this area, reinforcing the administrative efficiency of the parliament, constituting administrative power, and expanding standards and values that are eminent for a state governed by laws are of the utmost importance. We have already achieved the first encouraging results in this area. The rights of man and the citizen's rights and freedoms are the basis and framework within which the Macedonian state should be developed.

"In this context, developing the interethnic relations in the Republic of Macedonia is of particular importance. The key to peace and democracy in this country lies in the stability of these relations. They must be based on principles of equality and tolerance, of each citizen's loyalty and respect for the principles of a state governed by laws. The citizens of the Republic of Macedonia have shown themselves to be against radical nationalism, against efforts toward the disintegration of the country, against conflicts based on nationalistic hatred and intolerance, and on the basis of models imported from the neighboring countries. The rights of the nationalities are indisputable, they have been established in the Constitution of the Republic of Macedonia, which has incorporated international standards and norms that need to be developed and promoted as such. Because of our historical experience in co-existence and because of our firm democratic orientation and European option, we cannot and we shall not let the Republic of Macedonia become a new Balkan hotbed of crisis. Human national and minority rights have to be defended and accomplished within the frameworks of the system and have to

be protected by the state mechanisms, and not by blackmail and threats, not by the violation of the Constitution and laws, not by violence.

"A stable and prosperous Republic of Macedonia on the domestic stage is a condition for its further affirmation and active role on the international stage. In the coming year, 1995, we shall continue our activities for the development of good neighboring relations and for starting the process of the integration of the Republic of Macedonia into Europe, as well as for its inclusion in the collective security system.

"Let us show that the Republic of Macedonia will be a country of changes and perspectives also in the coming year. Let us use all our skills, knowledge, and love to secure our current time and to provide a future for our children. Let us all be patient, rational, and let us show solidarity in solving the present economic and social problems. Let us continue to solve our destiny with our own mind and let us hold our destiny in our hands.

"Let me wish you a happy New Year and Merry Christmas with all my heart and with all sincerity. May it bring more tranquility and welfare to our homes and may it open new hopes and perspectives for the progress of the Republic of Macedonia."

FRY Not Recognizing Double Citizenship

AU0501205795 Skopje MIC in English 5 Jan 95

[FBIS Transcribed Text] The Yugoslav authorities are not allowing passage across the Yugoslav border to all persons with travelling documents of the Republic of Macedonia [Former Yugoslav Republic of Macedonia], but with permanent residency on the territory of Federal Republic of Yugoslavia [FRY]. Their passports are being taken away. This treatment of the Macedonian citizens, which also goes for citizens of Croatia and Slovenia, is explained by the fact that Yugoslav law does not recognize double citizenship, and therefore, citizens living in FRY cannot possess passports from another state.

The Macedonian Press Bureau comments that in essence, this is yet another case of discrimination and pressure on citizens who originate from and are citizens of the former Yugoslav republics, and are practically being forced to give up their citizenship and take the Yugoslav one, provided they want to realize some of their elementary civil and human rights.

Therefore, in order to travel abroad, these citizens must have a Yugoslav passport, and only citizens of the FRY have the right to such a passport, that is, they have to apply for Yugoslav citizenship.

The absurdity in this situation is that the FRY still does not have a law for traveling documents or citizenship.

Ethnic Albanian University Elects Senate

LD0901164295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1519 GMT 9 Jan 95

[FBIS Translated Excerpt] Skopje, 9 Jan (TANJUG)—The so-called Albanian-language university in The Former Yugoslav Republic of Macedonia (FYROM), which is based in Tetovo, a town in the northwest of the state, will be run by a president and a 25-member senate led by "president" Dr. Fadilj Sulejmani, the local press reports today.

The decision to elect the leadership was adopted at a session of the founding committee. The press reported that the session began in the offices of the Albanian National Democratic Party and after the police intervened it was continued "elsewhere."

TANJUG has learned that Sefedin Harulji and Murtezani Ismailji were elected as vice presidents. According to Albanian sources, tuition in seven "faculties" in Tetovo will probably begin on 20 January, despite warnings from the police.

According to these sources, despite all the problems, considerable progress has been made towards the enrollment of the new students. About 400 full-time and about 100 extramural students—all of them of the Albanian nationality—competed for places. [passage omitted]

The ethnic "university" of Albanians in the FYROM was illegally proclaimed on 17 December last year, despite warnings from the authorities in Skopje that the initiative to set it up was unconstitutional and illegal. [passage omitted]

Officials Deny Appointments

AU0901210795 Skopje MIC in English 9 Jan 95

[FBIS Transcribed Text] In yesterday's statement for the Macedonian [The Former Yugoslav Republic of Macedonia] media, the Minister of Development in the Macedonian Government Dr. Bekir Zuta denied that he has been appointed dean of the faculty of economy, and says that he had not been consulted about anything, and that he had not given any consent.

Dr. Shaban Prevala told the Skopje Radio station "NOMA" that "no one asked me anything, nor have I given any confirmation about anything. Those are their plans for the future."

The Deputy Minister of the Interior Dime Gjurev explained that the "results of the so-called educational-scientific board of the University of Tetovo are being summed up, which can be classified as "prohibited activities."

Federal**OSCE Delegation Arrives for Two-Day Visit***LD0901160795 Belgrade TANJUG Domestic Service in Serbo-Croatian 1524 GMT 9 Jan 95*

[FBIS Translated Text] Belgrade, 9 Jan (TANJUG)—A delegation of the assembly of the Organization for Security and Cooperation in Europe [OSCE] arrived in Belgrade today on a two-day official visit to the Federal Republic of Yugoslavia [FRY].

The delegation, headed by OSCE assembly chairman Frank Swaen will first be received by its host, Radoman Bozovic, chairman of the Federal Assembly's Chamber of Citizens.

TANJUG has learned that the talks scheduled for later this afternoon will center on issues pertaining to the reintegration of the FRY in the OSCE.

The OSCE guests are expected to be received tomorrow by Serbian President Slobodan Milosevic and Yugoslav Foreign Minister Vladislav Jovanovic.

Agreement on Resuming Dialogue*LD0901223295 Belgrade TANJUG in English 2156 GMT 9 Jan 95*

["Pool" item]

[FBIS Transcribed Text] Belgrade, Jan. 9 (TANJUG)—Yugoslav Parliament official Radoman Bozovic and an OSCE [Organization for Security and Cooperation in Europe] parliamentary assembly delegation agreed Monday on a need to resume dialogue.

A government statement said Bozovic, speaker of the Yugoslav Parliament lower house, and Frank Swaen of the Organization for Security and Cooperation in Europe, had reviewed the question of reincorporating Yugoslavia in the OSCE. The statement said Swaen, speaker of the Belgian Senate, and Bozovic agreed that Yugoslavia should be reintegrated in the OSCE and that efforts should be made in this direction.

Yugoslavia's membership of the OSCE was suspended in 1992 as the result of the U.N. Security Council's sanctions imposed on the Yugoslav Federation of Serbia and Montenegro for alleged involvement in the Bosnian civil war. The sanctions were partially suspended in Oct. 5, 1994 for 100 days.

The OSCE delegation arrived in Yugoslavia on Monday at Bozovic's invitation. The statement said the present contacts were a resumption of talks held by Bozovic with OSCE (formerly the Conference on Security and Cooperation in Europe [CSCE]) parliamentary assembly officials in Brussels in November.

This is the fourth time the Yugoslav and OSCE parliaments have met in the past two years. On Tuesday, the

OSCE delegation is to be received by Serbian President Slobodan Milosevic and Yugoslav Foreign Minister Vladislav Jovanovic.

International Borders 'Inviolable'*LD0901181095 Belgrade TANJUG in English 1739 GMT 9 Jan 95*

["Pool" item]

[FBIS Transcribed Text] Belgrade, Jan. 9 (TANJUG)—Organization for Security and Cooperation in Europe [OSCE] Parliamentary Assembly Vice President Willy Wimmer said here Monday that international borders were inviolable. A Yugoslav Government statement quoted Wimmer as saying the principle of the inviolability of borders applied also to the borders of the two Yugoslav Republics, Serbia and Montenegro.

He said secessionist movements could not be accepted anywhere. If ethnic Albanians in Kosovo and Metohija were given the right to statehood, then minorities elsewhere in the world could also claim that right, he said. Wimmer recently visited the south Serbian province of Kosovo and Metohija and was received, at his request, by Margit Savovic, the Yugoslav minister in charge of human rights and the rights of minorities.

The statement said Wimmer was interested to learn about the resettlement of Kosovo and Metohija. Savovic told him that Serbs and Montenegrins had been driven from the province during World War II and subsequently prohibited from returning. Ethnic Albanian separatists in Kosovo and Metohija want to secede from Yugoslavia and annex the province to neighboring Albania. The leaders of the ethnic Albanian separatist movement are trying to present the boycott of Serbian and Yugoslav institutions, which they, themselves, have organized, as a violation of ethnic Albanian human rights.

Savovic said ethnic Albanians were the majority population in Kosovo and Metohija not only because the Serbs and Montenegrins were driven out, but also because of their high birth rate, the highest in Europe.

She said she hoped Europe would uphold Yugoslavia's position—which was in full keeping with international documents and standards—that everybody be guaranteed the basic human right to be able to choose where to live. She said she hoped the international community would support the stand that Kosovo and Metohija were an internal issue of Yugoslavia, and that the lifting of the sanctions imposed on Yugoslavia for its alleged involvement in the civil war in Bosnia-Herzegovina, would not be linked to Kosovo.

Russians, Belarusians Call For End to Sanctions*LD0901174295 Belgrade TANJUG in English 1636 GMT 9 Jan 95*

["Pool" item]

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[FBIS Transcribed Text] Belgrade, Jan. 9 (TANJUG)—Visiting Russian and Belarus parliamentarians on Monday said there was no more reason for the further implementation of the sanctions against Yugoslavia.

The parliamentarians told a news conference in Belgrade, at the close of their visits to Yugoslavia and the Bosnian Serb republic, that they would raise the issue of the sanctions in their respective parliaments.

The parliamentarians said it was their opinion that, regardless of how the issue of the sanctions was resolved, humanitarian aid, natural gas and petroleum industry products for civilian purposes should be delivered to Yugoslavia.

The U.N. Security Council introduced the sanctions against the Yugoslav Federation of Serbia and Montenegro in late May 1992 because of alleged Yugoslav involvement in the civil war in neighbouring Bosnia-Herzegovina.

The sanctions relating to air and ferry links, sports and culture were suspended for a period of 100 days as of October 5 this year. The suspension expires on January 13.

The parliamentarians said in the joint conclusions that the premature international recognition of Bosnia-Herzegovina could be rectified only through the recognition of the Bosnian Serbs' right to their own independent state or a "state formation" which would form a confederation or federation with Yugoslavia.

President of Russia's All-People's Alliance Sergey Baburin said it was the opinion of the Russian and Belarus parliamentarians that diplomatic recognition of the Bosnian Serb republic would be in the interest of peace and stability in the Balkans.

Socialist Party of Serbia Vice-President Goran Percevic said in a meeting with the Russian and Belarus parliamentarians on Monday that "the only way of resolving the crisis in the former Yugoslavia is a peaceful solution on the basis of the 'Contact Group' plan."

Percevic said the four-month cessation of hostilities in Bosnia-Herzegovina, which went into effect on Jan. 1, was a good basis for the resumption of talks.

Commentary Criticizes U.S. Peace Mission

95BA0075D Zagreb VJESNIK in Serbo-Croatian
12 Dec 94 p 7

[Article by Ivkica Bacic: "The Indissoluble Tandem Milosevic-Martić"]

[FBIS Translated Text] Just when they thought with little self-respect that no one seriously intended to compete with Juppe's and Hurd's self-humiliation, an American named Thomas turned up this week among the Serbs, with every intention, and even a very clearly pronounced desire, to dispel the last doubt. That is, we have the

American named Thomas to thank that we now know that the "spirit" of Munich in 1938 is spreading unrestrainedly even across the Pond, and that the powerful United States—because Bosnia is not swimming in oil, but is "merely" choking in blood—is ready to deliver the victim to the executioner.

On a silver platter, of course, as Bosnian Prime Minister Silajdzic said with disgust.

And what did Thomas say, as he removed the last "humanitarian" shred from himself and the country that he represents in the collaborationist contact group (KKS)?

The concessions to those who for four years now have proudly said that they had no other objective than to follow the Nazis in their Blut und Boden ideology (those 50 years ago were defeated) are strung out as on an assembly line: The chetniks from Pale need not sign what the KKS last spring offered to the three parties in Bosnia with a threatening finger raised ("Whoever refuses will be punished!"), and which the Croats and Muslims humbly signed under U.S. pressure; Milosevic's hangers-on do not have to withdraw from any part of the occupied territory, nor need they cease new conquests, not even in the "protected zone" of Bihac, because, it is well-known, the civilians there, just like those in Sarajevo, are under "protection" of NATO bombers, which are always ready for a farce like the one at Udbina.

All Milosevic's operatives have to do after taking Bihac is to slowly drag themselves, if they can make it, to the "negotiating" table, where they are awaited by Thomas and the entire KKS, ready to immediately link them to Serbia in a confederation. And they will be met, we have to believe the international intermediaries, by the Bosnian Government, which will first "voluntarily" renounce its state, and then will "reach agreement" with the Serbs about exchange of territory! Lest there be confusion, Thomas has nicely explained this: "The position of the United States and the Contact Group has not undergone formal change, but in practical terms it can be interpreted completely differently!"

In practical terms, this means that (even) the United States, counting the days to expiration of the trial period of 100 days (to the end of the year), the period for which the sanctions on Milosevic were relaxed—provided that as "a man of peace" he does not send weapons to the chetniks in Pale and forces them to accept the division of Bosnia in the proportions 51:49, has decided in the style of "Munich" to present Bosnia a "just peace." And because he asked for it, in addition to Bosnia on a (confederal) platter, Milosevic will also get complete removal of the sanctions.

There should be no doubt whatsoever that the KKS will find a "convincing" explanation for that as well, approximately as convincing as the closed barriers on the Drina this summer—nothing went from one shore to the other except men in uniform, arms, and fuel!—and just as

convincing as the first international reaction to the news that Aleksa Buha has turned up in Milosevic's cabinet.

The arrival of this close associate of Karadzic's was hastily explained as Milosevic's success in breaking up "Nero on Pale," that is, as the "breakup" of what until that point had been the compact top leadership in Pale, which had allegedly renounced Belgrade even before the lovebirds Milosevic and Churkin had written it off because it "was suffering from the madness of war." Even Yeltsin had not managed to award his trusted associate Churkin the ambassadorship in the West as a reward "for everything he did" in Croatia and in Bosnia, and entire stories began to be woven about how "the master on Dedinje" is preparing a putsch in Pale. And the reason for that is that he, you understand, has given up the project of an expanded Serbia, and it is only, you understand, the top chetnik in Pale who is not giving it up, and that is why he has to be removed. TELEGRAF of Belgrade, the privately owned weekly of two former journalists of BORBA, with (unofficially) strong ties in the Serbian (secret) police, were foremost, as usual, in spreading those stories at home. The same was assigned abroad to Lord Owen, whom none other than TELEGRAF already sees as winner of the Nobel Peace Prize.

The Belgrade weekly figured the end of October for Milosevic's "coup d'etat" in Pale, the British lord "gave" Milosevic a deadline of the end of the year, and then these and all the other unconvincing comedians of this week would "meet" with Buha, who, both "on his own" and as Karadzic's emissary, has announced that the "season of warfare" between Belgrade and Pale has passed. And the most important thing is that the chetniks in Pale decided to accept Thomas's "invitation to talk," after they heard from him and Milosevic the "new interpretation" of the plan of the KKS.

Now, then, it can all be clearly seen as on the palm of your hand—that the Balkan butcher, whom the collaborators in the group refer to affectionately as "our dear peacemaker," never even ceased "pumping up" the Pale chetniks (but also those in Knin, which many cooperative Croatian officials, it seems, would like to forget!); and also that with high-level international sponsorship he bought his hanger-on in Pale several months of time, all the while "very convincingly" calling him a war criminal and profiteer; and also, but most important for Croatia, that his entire hand is firmly and finally on all the occupied parts of Croatia and Bosnia-Herzegovina.

He has no intention whatsoever to withdraw that bloody hand of his!

Are the petty Croatian officials aware of this while they are signing various documents with Milosevic's followers in Knin, while at the same time the latter are choking Bihac on instructions from Dedinje?

Serbia

Abdic Seen as Milosevic's 'Trojan Horse'

95BA0079A Zagreb VJESNIK in Serbo-Croatian
19 Dec 94 p 9

[Article by Fran Visnar: "War in Cazin Krajina"]

[FBIS Translated Text] The fall of Velika Kladusa is bad news (even if not altogether accurate) not only for the Bosnian Muslims, but also for the entire region. Even in its worst-case scenario the 5th Corps of the Army of Bosnia-Herzegovina did not foresee what is happening. Following the splendid victory this summer over the forces of Fikret Abdic, two things proved to be fateful. First, Abdic's units should have been completely surrounded and destroyed or captured by vigorous measures. Second, the "army people" simply should never have allowed 'Babo' Abdic to get out of the encirclement and take shelter with the Serbs. Without him the remnants of his paramilitary force would not have regrouped and played a decisive role in the attack on liberated Cazin Krajina.

Fikret Abdic did not surrender after the defeat. He immediately organized an unprecedented radio propaganda machine, bombarding not only his own exhausted followers, but also the Muslims on the other side, with aggressive appeals for mobilization over the airwaves. Back in September 1994 Abdic selected, screened, supplied, armed well, and paid 3,000 of his most devoted followers. Nor were the Serbs stingy with ammunition, food, and medical supplies. They also added quite a bit of heavy equipment, and at Babo's request they even opened up the mothballed warehouses of the former Territorial Defense, and provided other military surplus of the former JNA [Yugoslav People's Army]. Abdic used captured weapons, clothing, and footwear to raise another 7,000 men (referred to as the "2d and 3d callups"), which made it easier for the rebellious Serbs in Croatia to send into western Bosnia (to help Karadzic) more of their own quality personnel and less "cannon fodder" (ordinary infantry), so as not to altogether thin out its lines of defense towards the Croatian Army. The move to take Velika Kladusa was straight out of Serbian military textbooks. Supported by horrific artillery fire (delivered directly from the UNPA [UN Protected Areas]), Abdic's footsoldiers first took Babo's estate and part of the town, and there they dug in. Gradually, over several weeks of fierce fighting, they surrounded the city and cut off main and secondary highways and roads in the vicinity. They left members of the Army of Bosnia-Herzegovina the choice of either dying in Kladusa to the last man, or withdrawing and leaving a city that with such small forces they could not have defended for very long anyway (some isolated pockets of resistance may hold out in the suburbs and vicinity of Kladusa for some time yet).

The fall of Velika Kladusa will have an adverse effect on the morale of some of the members of the Army of Bosnia-Herzegovina (Abdic believes that the Army of Bosnia-Herzegovina is a "spent force"). Now the Serbs can begin

the second phase of "pacification" of western Bosnia: Their strengthened Muslim ally will become still more important. It should be no surprise if the Serbs actually entrust Abdic with "personally leading" the final strike against Bihac, offering him not only autonomous power in the little "duchy" in Velika Kladusa, but even an entire "principal-ity" together with Bihac, in which the Serbian side would hold military control and would secure the highway and railroad junctions there, which are strategically important, above all to Knin.

The ambitious and "unbreakable" Fikret Abdic can now communicate directly no longer just with Mikelic and Martic, nor even only with Karadzic, but also with the

real boss—Slobodan Milosevic, who has a liking for him anyway and is pushing him as a "Muslim prince" into a new round of the peace process. Even this would of course not be surprising, since those who are familiar in detail with Babo's biography (curriculum vitae) know that he has always felt more comfortable in Belgrade than in Zagreb. He left behind in the Serbian capital numerous useful acquaintances and connections, which is why he was not definitively written off after this summer's military and political debacle. In any case, in the Bihac war Fikret Abdic has played the role of an ideal (Serbian) unspent Trojan horse before the eyes of Zagreb and in the face of all Sarajevo's expectations.

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